

Resident Information Meetings

June 14, 2018

July 11, 2018

Hargraves Community Center

Chapel Hill, North Carolina

Organizational

Residents from the Chapel Hill's (CHPH) total portfolio were invited to the first meeting held on June 14th since the decision had not yet been made about which community we wanted to pursue for RAD and it was also a way to share information with all residents about the RAD application and our vision for the future of Chapel Hill Public Housing.

Residents from the Craig Gomains property were specifically invited to the 2nd meeting held on July 11th meeting. They were notified and invited in writing 14 days prior to the meeting, with a reminder flyer distributed 5 days before the meeting. The meeting was held at the Hargraves Community Center due to its central location for invited residents and a large a community meeting space able to accommodate comfortably up to 100 residents while offering light refreshments. Hargraves is a short walk from Craig Gomains and there is public transportation that runs on the streets adjacent to both the community and the community center.

Due to general community notices and advance discussion with the many of the residents during previous meetings held about our Public Housing Master Plan, several residents from other communities chose to attend the 2nd meeting designed just for residents of Craig Gomains.

While most of the resident comments were actually more about seeking a basic understanding of RAD and related clarifying questions than they were "comments" about the RAD conversion process, they are included and addressed below. Many of the same questions asked in the first Resident Meeting we also asked in the second Resident Meeting so they are not repeated below. We plan to post the resident comments and responses to comments on the Housing and Community webpage under a special "RAD" sub-page, provided to neighborhood leaders, and copies will be available at our administrative office and community meeting spaces.

Resident Comments & Responses

1. Comment: Does the RAD conversion process provide me with a regular Section 8 Voucher now?

Response: No. The conversion process involves converting Public Housing Capital and Operating funds to long-term, project-based Section 8 contracts, which are effectively

committed to the property as contractual subsidies, and not to individuals as Housing Choice Vouchers (HCVs). However, RAD does offer residents of converted properties the option to apply for an available HCV after one or two years of tenure in a converted property for any reason, depending on the availability of HCVs at Chapel Hill Public Housing (CHPH). This is a new “choice and mobility” option available to public housing residents in RAD converted properties that allows residents of RAD-converted properties to receive a preference on the HCV waitlist.

2. Comment: Are we going to change all the other conditions [requirements] of public housing by doing RAD?

Response: No. Although RAD shifts the funding subsidies from the Section 9 Public Housing program to the Section 8 Multifamily Housing program RAD goes to great lengths to keep the resident requirements, processes, rights and responsibilities nearly the same as public housing. **Residents will continue to pay 30% of their income in rent; residents cannot be involuntarily displaced, although some may need to be temporarily relocated during the construction period; and residents cannot be re-screened after construction.** Other provisions of RAD also mirror similar public housing provisions.

3. Comment: If relocation [during construction] is necessary, at whose expense will it be?

Response: CHPH will assume any and all construction related relocation expenses due to temporary relocation, including moving expenses.

4. Comment: Will we be allowed to come back after renovations?

Response: Response: Absolutely. Under RAD legal residents of public housing have the right to return to their developments without rescreening or additional conditions.

5. Comment: Will we be allowed to keep our children in the same school during the renovation process?

Response: Section 6.4 of the RAD Fair Housing, Civil Rights, and Relocation Requirements Notice explains the requirements for each type of relocation in connection with a RAD conversion. For temporary location lasting one year or less, it states that “the resident’s temporarily occupied housing must be decent, safe, and sanitary and the resident must be reimbursed for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation.” While it does not specifically address whether residents must be relocated within the same school district, as part of the RAD approval process HUD does consider whether residents could carry on their everyday activities, including attending school, in the planned temporary housing.

For permanent moves in connection with a transfer of assistance, this section states that “if HUD determines that the distance from the Converting Project to the site of the Covered Project is significant and the resident could not reasonably be required to move to the new site, then HUD will require the PHA to adjust project plans to accommodate the resident in an assisted unit (e.g., a public housing unit, some other project-based Section 8 unit or a market unit with a housing choice voucher) within a reasonable distance of the site of the Converting Project. HUD will evaluate whether this requirement applies on a case by case basis, considering whether the distance would impose a significant burden on residents’ access to existing employment, transportation options, schooling or other critical services.”

6. Comment: If I do not wish to participate in the “relocation program” am I still eligible to return to the neighborhood after the renovations are complete?

Response: Yes, they retain the right to return in the situation you describe. That right can only be voluntarily waived in writing after the resident has been given 30 days to consider his or her decision.

Section 6.2 of the RAD Fair Housing, Civil Rights, and Relocation Requirements Notice describes this by saying, “any public housing or Section 8 assisted resident that may need to be relocated temporarily to facilitate rehabilitation or construction has a right to return to an assisted unit at the Covered Project once rehabilitation or construction is complete.” It also states that “if the resident who would be precluded from returning to the Covered Project prefers to voluntarily and permanently relocate rather than object to the project plans, the PHA must secure informed, written consent to a voluntary permanent relocation in lieu of returning to the Covered Project.”

7. Comment: So do I have to qualify to come back after renovations?

Response: No. As long as any resident remains in good standing (lease-compliant) with your housing while temporarily relocated there are no qualifications to coming back to your development after renovations.

8. Comment: Will Craig Gomains still have property available to the disabled as well as the elderly to remain in?

Response: Definitely. Craig Gomains has proven to be a great location and well-built property to meet the needs of both elderly and disabled residents and we intend to preserve much of the same population after RAD. RAD will allow us to create even more space for the needs of our elderly and differently abled community.

9. Comment: If there is funding by lenders and private investors, after 20 years and cost goes up and we can’t afford it, will the private investors be able to reclaim the property?

Response: No. Regardless of the types of financing used for the next 20 years or if the costs go up during that period, HUD will retain a use agreement on the properties restricting their use as low-income housing. This prohibits private lenders or investors from reclaiming the property and using it for different purposes. In addition, RAD requires the property owner to renew its subsidy contract after the initial 20 year contract period. CHPH will have the ability over the longer term to seek new financing to address the costs of needed improvements at that time.

10.Comment: How long is the process to make the RAD conversion?

Response: It depends on the extent of improvements needed on the properties. For example, Trinity Court with its 40 units will need to be demolished and rebuilt, while Craig Gomains may be able to be renovated in phases. Based on the amounts of construction, which dictates the amount of financing that have to be obtained and get final approval from HUD for properties to be converted, the conversion process could range from one to three years. Only when properties have been formally converted can CHPH begin construction and if needed, temporarily relocate families during construction. So it is likely that construction process for all of the properties will take the next three to six years to complete, and potentially longer to finish any phased construction that might get planned for larger properties.

11.Comment: Does the current lease change in any way once we get to the new program?

Response: Yes and no. The lease will be changed to the standard lease format for either the Section 8 program. However, the new Section 8-based lease has nearly all of the same provisions, rights, processes, responsibilities, etc, as does the current public lease, although the language may be slightly different. HUD and tenant-advocates including the National Low-Income Housing Coalition made a considerable effort when devising RAD to “transfer over” the basic provisions and processes such as rent payments, occupancy requirements, hearing and appeals processes to the Section 8 RAD leases from the standard public housing lease.

12.Comment: Am I entitled to my old unit?

Response: No. Actually no public housing resident is entitled to live in a particular housing unit. Rather, public housing assures that eligible households have access to available units that are appropriately sized to their household size. RAD generally follows this policy. RAD requires that residents temporarily-relocated during construction have the right to return to their current property—or if demolished and replaced, to the new property—but not to a specific unit in the property.

13.Comment: Is the funding involved with RAD grants or loans?

Response: Actually, RAD only provides a Section 8 project-based rental operating subsidy to a particular converting property, which enables the CHPH to then obtain needed financing which

can be lending from private or public sectors, equity investments by private investors and, in some cases, a small amount of grants.

14. Comment: What if the CHPH defaults [on a loan] can we be put out of our homes?

Response: HUD will not approve a RAD financing plan if CHPH does not have the resources to repay all debt and meet all obligations that come with the financing. This significantly reduces the chances of a loan default. However, if a default was to occur, RAD has detailed rules to potentially cure the default, and if that fails, to manage any unlikely foreclosure process. First, HUD will work with the PHA and lender to correct the default. In the unlikely event that can't be done and a lender proceeds to foreclosure, RAD rules require that the RAD use agreement remain on the property while HUD transfers the Section 8 contract to another public entity or non-profit whenever possible or a capable for profit entity when not possible