



RAD Supplemental COVID-19 Guidance

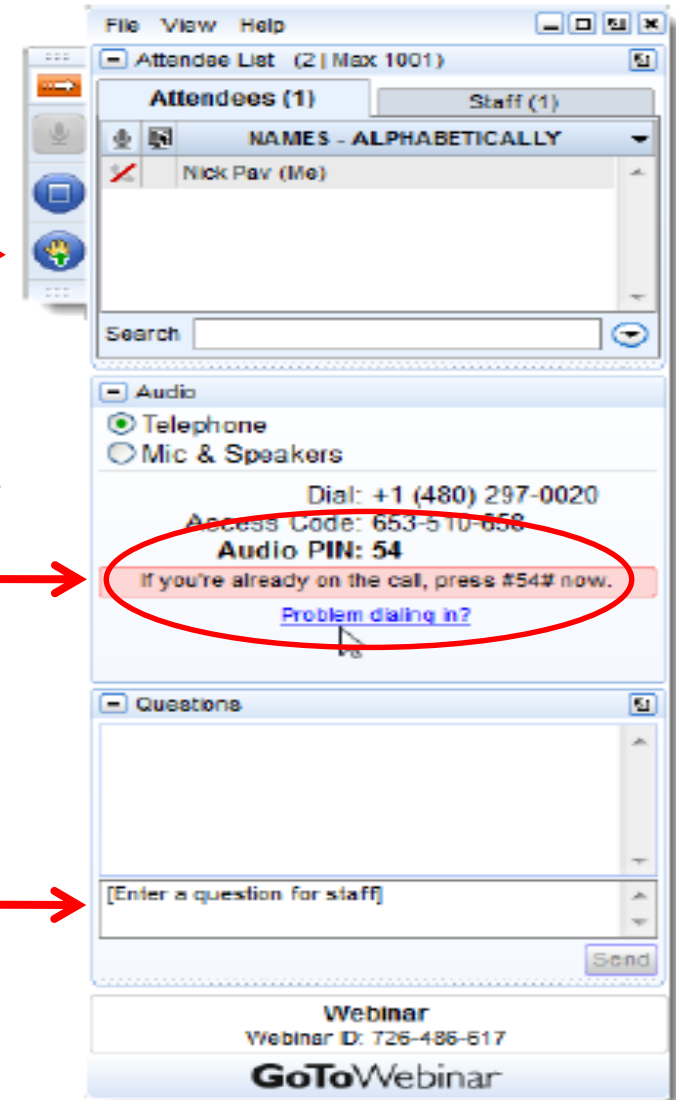
September 22, 2020

Ask questions! Here's how:

- “Raise your hand” by clicking on the hand icon and the presenter will un-mute your line so you can ask your question live

Note: To do this, you MUST call the dial-in number shown on your attendee control panel and input the audio PIN shown, which is unique to each attendee

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The Basics

Notice H-2020-09/ PIH-2020-26, published September 18

- 1) Describes the availability of Operating Fund CARES Act funds for public housing properties that have converted or that will convert in Calendar Year 2020 or 2021.
- 2) Permits PHAs to conduct one-on-one or small group resident meetings, instead of larger group meetings.

CARES Act Operating Funds in RAD

Background

- The CARES Act provided an additional \$685,000,000 for the Public Housing Operating Fund to:
 - *“prevent, prepare for, and respond to coronavirus, including to provide additional funds for public housing agencies (PHAs) to maintain normal operations and take other necessary actions during the period that the program is impacted by coronavirus.”*
- HUD obligated the funds to PHAs in a lump sum on 4/30/20
- Allocations were based on Operating Fund formula
- PIH 2020-07 provides guidance on eligible public housing uses
- PIH 2020-24 extended the period of performance to 12/31/2021

CARES Act Operating Funds in RAD: Key Features

Applicability: Projects with a HAP effective date in 2020 or 2021

Maximum amount: At PHA's discretion, up to the CARES Act Operating Fund Grant amount provided to the PIC Development, prorated only by the portion of ACC units in the PIC Development that converted and were removed from the ACC and PIC.

Eligible Uses: 1) Operating Expenses, 2) Capital Expenses, 3) Costs related to combatting coronavirus. See next slide.

Timing of Expenses: Must be spent in the year of the conversion (the HAP effective date) when converted properties are supported through public housing funds. Can be drawn down only when an eligible cost has been incurred

CARES Act Operating Funds in RAD: Eligible Uses

Operating Expenses

- Funds can be used to maintain normal operations; normal Operating Fund provided to project in the year of conversion can cover other projects costs/reserves
- Quickest/simplest way to ensure timely expenditure of the funds
- PHA and owner should enter into an agreement describing the amount of funds that will be used for this purpose and process for owner request of funds

Capital Expenses

- Must be identified in the project's development budget (in the RCC) prior to conversions (*i.e., not available to projects that have already converted*)
- Must fund an expense that will be incurred in the year of conversion, which may include costs associated with acquisition, demolition and site preparation, rehabilitation or construction, financing costs, and relocation

Costs related to combatting coronavirus

- described in Section 6 of PIH 2020-07.

CARES Act Operating Funds in RAD: **Processing**

Draw process: PHAs may only draw down CARES Act Operating Subsidy when an eligible cost has been incurred. The Owner must provide the PHA a request for funds for an eligible project expenditure and, upon receipt, immediately expend those funds for that use, then report to the PHA on the expenditure of those funds

PHA Reporting of Expenses: See PIH 2020-24

CARES Act Operating Funds in RAD

Options Summary for Use in RAD

**Converted
earlier in CY
2020**



May use funds for normal operating expenses or COVID-related expenses

**Expecting to
convert in CY
2020**



- Expend CARES Act funds on public housing property prior to conversion
 - Expend funds for normal operating expenses or COVID-related expenses after conversion before the end of the CY
 - Put funds in Development budget and expend before the end of the CY
-

**Expecting to
convert in CY
2021**



Same as above

Resident Meetings During COVID-19

The RAD Notice requires PHAs and owners to hold resident meetings and to receive and provide response to comments during those meetings.

But how to mitigate transmission of COVID-19 while still keeping residents informed about any changes to their housing, their rights, and the timing of key events related to the conversion?

- FAQs published earlier this year described how PHAs can hold meetings remotely using videoconferencing or teleconferencing technology
https://www.hud.gov/sites/dfiles/Housing/documents/MF_COVID-19_QA_5.21.20_RAD_Only.pdf
- This Notice permits meetings to be held one-on-one or in small groups, in lieu of larger group meetings

Resident Meetings During COVID-19

Key Points for small group or one-on-one resident meetings

- Proactive outreach
- Effectively convey information
- Vehicle to receive resident comments and questions
- Create access to comments and questions submitted by others
- Create Means to ask additional questions
- Accommodate persons with disabilities and with limited English proficiency
- Maintain documentation of participants.

Ask Recap if you have any questions around resident notification and engagement

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