



September 21, 2022

The Honorable Brian Schatz  
Chair  
Senate Committee on Appropriations  
Subcommittee on Transportation, Housing  
and Urban Development

The Honorable David Price  
Chair  
House Committee on Appropriations  
Subcommittee on Transportation, Housing  
and Urban Development

The Honorable Susan Collins  
Ranking Member  
Senate Committee on Appropriations  
Subcommittee on Transportation, Housing  
and Urban Development

The Honorable Mario Diaz-Balart  
Ranking Member  
House Committee on Appropriations  
Subcommittee on Transportation, Housing  
and Urban Development

To Chair Schatz, Ranking Member Collins, Chair Price, and Ranking Member Diaz-Balart:

On behalf of the National Housing Law Project and the National Low Income Housing Coalition, we write to express our opposition to the provisions in the Senate Fiscal Year (FY) 2023 Appropriations bill draft that would expand the Rental Assistance Demonstration (RAD) by lifting the cap on properties that are eligible for conversion. While we support the intended goals of RAD to preserve affordable housing and address the backlog of public housing capital needs, we are deeply concerned that the RAD program has continued to expand far beyond its initial demonstration cap of 60,000 units without a serious evaluation of the impact of RAD conversions on tenants, which is required by the original statute. It is critical that HUD assess the efficacy of the provisions in the statute to prohibit tenant rescreening, provide tenants with a right to return, and require a one-for-one replacement of former public housing units. Unfortunately, the Senate bill includes provisions that would lift the cap again before this required evaluation concludes. We oppose any provision that would lift the RAD cap until HUD completes an evaluation of the program's effects on tenants. Further, we believe additional tenant protections need to be put in place for future RAD conversions.

RAD was created in the FY 2012 spending bill, and was designed to preserve and improve HUD-assisted low-income housing by enabling Public Housing Agencies (PHAs) and owners of private, HUD-assisted housing to leverage Section 8 rental assistance contracts to raise private debt and equity for capital improvements. The program has since significantly increased in size despite HUD failing to adequately demonstrate that resident protections required in the statute are being honored. Many residents who live in RAD-converted buildings have raised concerns that PHAs, developers, and HUD are not complying with or enforcing resident protections as required by the legislation. Residents and their advocates have also identified several other serious concerns during and after RAD conversion: perfunctory PHA or developer behavior during required tenant participation events; a lack of transparency during and after the RAD conversion, including PHAs and developers who refuse to provide key documents to residents or make them publicly available; suppression of tenant organizing during the conversion; relocation plans that constantly change without additional notice and that often put residents far away from their historic communities; improper and unlawful lease terms or the modification of leases and house rules without proper notice; a refusal by the PHAs to provide any ongoing assistance to residents in RAD-converted properties, including failing to provide VAWA emergency transfers or 504 reasonable accommodations;

the mishandling of debt owed by tenants to PHAs upon conversion; Fair Housing Act and civil rights violations, including failing to ensure the converted project adheres to accessibility requirements; concern about long-term affordability if contracts default or properties foreclose; and overall ongoing issues with local and federal oversight.

Lifting the cap in the FY 2023 appropriations bill is premature and unnecessary. At present, HUD reports that only 163,485 units have been closed under RAD, with 53,446 units in the RAD approval process, with another 127,965 units in reserve, for a total of 344,869 units. This leaves HUD with existing authority to convert more than 110,000 units under the currently approved cap of 455,000 units. The lifting of the cap should only be considered after a rigorous evaluation of RAD's impact on tenants, inclusion of additional protections for tenants in further legislation, and greater oversight of the program.

If you have any questions, please contact NHLP Director of Government Affairs, Noelle Porter, at [nporter@nhlp.org](mailto:nporter@nhlp.org) or NLIHC Vice President, Sarah Saadian, at [ssaadian@nlihc.org](mailto:ssaadian@nlihc.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Shamus Roller". The signature is fluid and cursive, with the first name being more prominent.

Shamus Roller

Executive Director, National Housing Law Project

A handwritten signature in black ink, appearing to read "Diane Yentel". The signature is fluid and cursive, with the first name being more prominent.

Diane Yentel

President and CEO, National Low Income Housing Coalition