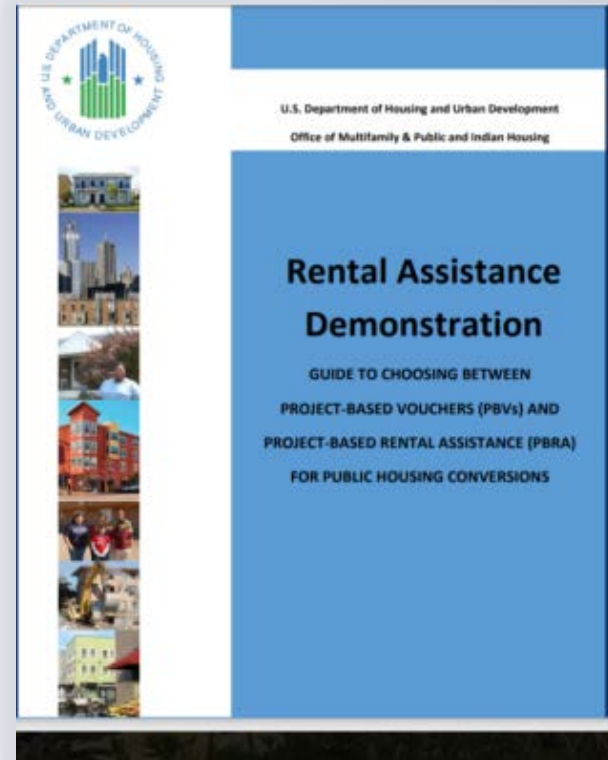


RAD 101...

To Convert or Not to Convert



UPFRONT CONSIDERATIONS

- **Why consider RAD???**
- **What are the steps of conversion?**
- **What about current staff ... and residents?**
- **Condition of properties?**
- **Will you seek external assistance?**
- **Will you self-develop...self manage?**
- **How will you finance your conversion**
 - **(if applicable) ~ What flavor of conversion?**
 - **Project Based Rental Assistance (PBRA)**
 - **or Project Based Voucher (PBV)**



RAD CONVERSION CHOICES....

PBRA

- Provided to owners by HUD's Office of Housing via a HAP (Part of HUD Multifamily)
- Projects monitored by HUD MF
- No administrative fee to PHAs
- 20 years, renewal requested, must accept
- Subject to annual appropriations, but strong history of full funding

PBV

- Component of PHA's Housing Choice Voucher Program in which the PHA attaches a voucher to specific units via a HAP (Part of HUD Public & Indian Housing)
- Voucher funding administered by PHA; PHA can earn administrative fee
- 15 years (up to 20 with approval), renewal requested, must accept
- Subject to annual appropriations, but with a history of funding reductions
- Possibility of serving fewer families in the future

STEPS.....



- **Long Range Strategic Plan?**
- **Review with Board**
- **Evaluate Capital Needs**
- **Submit Letter of Interest**
- **Submit RAD Application**
- **Financing Plan Submittal**
- **Conversion Closing**

FINANCING OPTIONS

- **No-debt (Public Housing funds—Operating Reserves and Capital Funds)**
- **Debt (FHA possibly?)**
- **Low Income Housing Tax Credits (4% or 9%)**
- **Combination**



KCDC - PBRA

- **No debt ~ internally financed:**

- Autumn Landing/Natures Cove (197 units)
- Mechanicsville (48 units)
- Valley Oaks (48 units)
- Verandas (42 units)
- Five Points Family (17 units)
- Sr. Duplexes (20 units)
- Passport Properties (81 units)
- The Eastport School (25 units)
- The Residences at Eastport (60 LIHTC units)

- **HUD 223(f):**

- Montgomery Village (380 units)

- **9% LIHTC ~ 317 combined AMP Multi-Phase (Five Points):**

- The Residences at Five Points (80 elderly/disabled units)
- Five Points 2 (84 units)
- Five Points 3 (80 units)
- Five Points 4 (82 units) includes 43 Austin units

- **4% LIHTC/Bonds, Fannie Mae ROAR:**

- The Residences at Lonsdale (260 units)
- North Ridge Crossing (268 units)
- The Vista (175 units)

- **To Be Determined:**

- Austin Homes (86 units)

**Remainder just submitted portfolio applications
(5 properties/1,475 units)**

BEFORE



Units constructed in 1960s
High density (originally 500 units)
High Backlog of Capital Needs



AFTER



QUESTIONS.....

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