The Rental Assistance Demonstration (RAD) program overview

The federal Rental Assistance Demonstration (RAD) program provides a mechanism for public housing agencies (PHAs) and private owners to convert public housing and certain types of project-based rental assistance to project-based housing choice vouchers or Section 8 project-based rental assistance.

This conversion enables applicants to tap into a wider variety of financing sources, including private sources, to help meet long-standing capital improvement needs that threaten the ongoing viability of these properties.

Participation in RAD by PHAs and private owners is voluntary, and the number of public housing units that may be converted is currently capped at 455,000 (an increase of more than 200,000 units over the prior limit, authorized through passage of the FY 2018 omnibus appropriations act). The bill also extended eligibility for the RAD program to Section 202 properties with Project Rental Assistance Contracts (PRAC) for the first time. There is no cap on conversion of Section 202 PRAC projects and other eligible privately-owned developments, which include those supported by “legacy” programs for which HUD no longer authorizes new projects, including the Section 8 Moderate Rehabilitation, Rent Supplement, and Rental Assistance Payment programs.