



Competition Guidelines

Planning and Design Criteria

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The Competition

Project Statement

HUD’s Office of Policy Development and Research (PD&R) presents the 2023 Innovation in Affordable Housing Student Design and Planning Competition. Celebrating its 10th year, the competition invites teams of students pursuing graduate degrees to participate. The competition focuses on proposed solutions that demonstrate the interdisciplinary teams’ understanding of community, population served, housing affordability, equity, and the development process, including design and finance.

The 2023 partnering PHA is the Chicago Housing Authority (CHA) in Chicago, IL.

As teams develop their proposals, the competition challenges them to apply innovative design strategies, while being thoughtful of the cultural and social context of the partnering community. Additionally, submissions should address the long-term needs of the residents, focusing on maximizing the number of affordable units on the site, densifying and adding additional amenities on the site, ensuring congruity with the surrounding neighborhood and alignment with the City of Chicago's Climate Action Plan. This aspect of the project cannot be overstated, as quality of life for residents and the creation of true, vibrant neighborhoods goes beyond attention to physical structure.

A jury of subject matter experts will select innovative solutions that demonstrate originality, incorporating current best practices, that address social, financial, equitable, environmental, planning & design, and construction issues.

First and foremost, entries will be evaluated for solutions that demonstrate innovative, creative, and imaginative approaches. In past competitions, jurors and housing authority partners have been most impressed by original thinking, so don’t be afraid – in fact, teams are encouraged – to think outside of the box.

While the competition is based on an existing site selected by the housing authority, there is no guarantee that the solutions offered by the winning team will be incorporated. To the greatest extent possible, students should attempt to address potential challenges with implementing their solutions.

Competition Schedule

09-19-2022	Competition launch; registration opens
10-24-2022	Deadline for teams to register: Noon Eastern Daylight Time
10-25-2022	Detailed Program Site and Housing Authority announced
12-05-2022	Deadline to submit a finalized team roster, including all team member names and contact information: Noon Eastern Time
01-23-2023	Deadline for teams to submit Phase I: Noon Eastern Standard Time

02-10-2023	Finalists announced; Phase II released
Early-March 2023	Site visit to Chicago for finalists
04-07-2023	Phase II submissions due
04-12-2023	Final presentations and awards ceremony in DC

Awards and Recognition

\$20,000	First Place
\$10,000	Runner Up
\$5,000	Finalists

Eligibility

- The competition is open to current graduate students working as a team, with a minimum of three and a maximum of five students.
- Each team must have students representing at least three disciplines that grant three different degrees, at least one of which must be from an architectural or design-related program, and one must be from a non-design-related discipline. For example, teams might comprise graduate students in architecture, planning, public policy, finance, business administration, and real estate development.
- Each team must work with one faculty advisor who may be from any of the team-represented disciplines and who serves only in an advisory capacity. The faculty advisor is not an active team participant.
- Students from different accredited educational institutions in the U.S. may combine to form a single team.
- Submissions may be the product of work in a design studio or related class.
- Team leaders must be U.S. citizens or permanent residents; teams must comprise of at least three students who are U.S. citizens or permanent residents. The remaining team students may be international students.
- Due to federal requirements, only U.S. citizens or permanent residents are eligible to receive cash awards.

Competition Structure

The competition is conducted in two phases:

Phase I: The following are required:

- A schematic design level site plan, schematic floor plans, section and building massing.
- Narrative to include rationale demonstrating an understanding of the community, planning, resident needs and provision of community services, and financing.
- Preliminary pro forma, as well as other financial calculations and leveraging using the template provided by HUD. Note: financing schemes should consider overreliance on grant funding and capacity of PHA's to leverage private funding sources is realistic.

The evaluation criteria emphasize innovation and an understanding of and provision for services for the specified constituency, planning context (including zoning), and economic considerations related to affordable housing development (including financing, first cost, maintenance and operation, rental subsidies, etc.), as well as design.

Four finalist teams will be selected to continue to Phase II.

Phase II: Teams will be challenged to further refine their solutions, incorporating more detail, develop floor plans, refine their pro forma and analyses (economic, energy, etc.). Note, teams are encouraged to provide HUD with their site designs in CADD files, to offer and for the benefit of the partnering PHA in their utilization and examination of final design scheme proposals. Teams **will not** be scored or evaluated on their CADD files and submitting these are optional, as they will be used for informational purposes only.

In early to mid-March 2023 finalists will have the opportunity to travel to the project site for a walk-thru and meeting with housing authority management and staff (travel conditions permitting).

The final presentations and award ceremony will be held on April 12, 2023 at HUD HQ in Washington, D.C. (travel conditions permitting). Travel expenses for both the site visit and final events will be paid for two members of each finalist team. Additional team members are encouraged to attend; however, travel costs will not be covered and will need to be arranged independently.

Note: Submissions for Phase I and Phase II will be evaluated by an independent subject-matter-expert panel of jurors.

Evaluation Criteria

Teams will be evaluated on their ability to:

- Defend design and planning decisions.
- Provide enough detail to communicate innovation and innovative approaches to all aspects of the solution (e.g., planning, design, construction, planning, environmental, and social).
- Demonstrate innovative approaches to feasible financing, leveraging, and public/private collaboration. Note: Financing schemes should consider the overreliance on grant funding and capacity of PHA's to leverage private funding sources realistically.

Phase I Submissions

In the schematic phase, it is not necessary to provide a high level of detail. Teams should provide drawings and descriptions that best characterize concepts to the jury. General layouts will likely accomplish this and should include schematic site plan, building plans and sections, massing, and energy and financial analysis. Demonstration of the team's understanding of the social, financial, environmental, design, and construction issues is paramount.

- **Narrative** (three-page maximum)
 - Include rationale and demonstrate an understanding of the community, planning, resident needs and provision of community services, and financing.
 - Be compelling. Focus on your description of what is innovative about your approach including, site planning, building configurations, materials and methods selection, mechanical systems, and community integration. Highlight unique and novel aspects of your project.
 - Be clear and concise.
- **Graphics** (maximum four slides – PowerPoint or other)
 - Teams should provide drawings and descriptions that best communicate their solution to the jury.
 - The presentation should include graphics and analyses that visually convey critical and central tenets of your solution, such as schematic floor plans, section and building massing.
 - Slide One MUST include the Site Plan.
- **Financial**
 - Pro forma, using the template (provided by HUD).
 - Phase I financial submission should focus on sources and uses; a more detailed financial analysis will be required in Phase II.

Instructions for submission

- All submissions are to be electronic files, uploaded to the [competition website](#).
- Written narrative (PDF or Word) to be on standard, white 8.5 x 11-inch paper, single-spaced and in a legible font (e.g., Times New Roman). The font size should be 11 pt. Set document margins to 1 inch on all sides.

Instructions for uploading (A link to upload submissions will be provided to participating teams ahead of the Phase I deadline.)

- Filename [e.g., [team ID number]_01_graphic_01]
- Filename [e.g., [team ID number]_01_narrative_01]
- Filename [e.g., [team ID number]_01_financial_01]

Phase II Submissions

Finalist teams will present Phase II submissions in person to the jury in front of an audience at HUD HQ in Washington, D.C. (travel conditions permitting). The presentation will be webcast. A link to view the webcast will be available to registered attendees of the event. More information will be provided closer to the event date.

- The final submission is limited to six (6) slides, plus title and conclusion slide if desired, which may not contain presentation content (total of eight slides).
- Digital files for two (2) presentation boards, 20” X 30” maximum size, which will be displayed during the presentations. (HUD will print the boards.)



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- Presentation files (ppt or other) must be 16 x 9 widescreen format with a non-white background (e.g., dark blue, black, etc.).

The Solution

Successful projects will solve for the design criteria and will demonstrate:

- An understanding of the needs of the intended residents and how those needs will be addressed innovatively in your design solution.
- Knowledge and understanding of codes and zoning restrictions and their impact on your solution.
- How your solution creatively responds to the opportunities and constraints imposed by the site.
- Knowledge and understanding of energy, water, resource efficiency, resiliency, and renewable energy strategies and how they can be incorporated into your design solution.
- How your solution integrates into the neighborhood and community.
- How your solution equitably addresses past injustices based on race, income, or other critical demographic and cultural differences.
- How your solution engages the community, and how diversity, equity and inclusion play a role.
- Knowledge and understanding of financing opportunities and constraints.
- Development and application of innovative financing solutions through leveraging and partnerships.
- Integration of best practices and technology into your solution.

The Jury

The jury will be announced at a later date.

Questions

During the competition, teams may send questions in writing to IAH@huduser.gov. Answers will be posted on the website throughout the competition. Please check the website Q&A page regularly.

HUD reserves the right to edit submitted questions before posting them to the website. HUD also reserves the right not to answer all questions and not post redundant questions or remarks deemed to be inappropriate or irrelevant.

Under *no circumstances* should there be any communication (e-mail, phone calls or other contact) regarding the competition other than in the manner stipulated here, with HUD PD&R, HUD, competition jurors, the housing authority staff, or consultants who are working or have worked on the project.. *Teams contacting HUD, the partnering housing authority, and/or jurors will be eliminated.*



Terms and Conditions

Copyrights

By participating in this challenge, each member of the Student Team certifies that their Student Team’s submission was created by the Student Team and that it is free of any copyright trademark, patent rights, or other intellectual property held by any other party.

HUD reserves the right to disqualify submissions containing material suspected of being intellectual property owned by another individual or entity and that cannot be proved to be original to the entrant.

HUD will claim no rights to intellectual property. Individuals on the Student Team will retain intellectual property ownership as applicable arising from their entry.

Publicity

By participating in this Competition, each member of the Student Team consents to the use, publication, reproduction and for all purposes, including publicity, promotion and advertising, in any media (including without limitation, the Internet, television, or offline promotions), each winner’s name, city, photograph, likeness, voice, image, and competition entry each in perpetuity without further compensation, payment of fees or royalties, credit or right of review or approval.

Student Teams further consent to the use of personal information about the Student Teams and individual members of such teams by HUD, the partnering housing authority divisions, and third parties acting on their behalf.

Limitation of Liability

By participating in this challenge, each individual agrees to assume any and all risks and waive claims against the Federal Government and its related entities, except in the case of willful misconduct, for any injury, death, damage, or loss of property, revenue, or profits, whether direct, indirect, or consequential, arising from participation in this prize challenge, whether the injury, death, damage, or loss arises through negligence or otherwise.

Based on the subject matter of the challenge, the type of work that it will possibly require, as well as an analysis of the likelihood of any claims for death, bodily injury, or property damage, or loss potentially resulting from challenge participation, individuals are not required to obtain liability insurance or demonstrate financial responsibility to participate in this challenge.

By participating in this competition, each individual agrees to indemnify the Federal Government against third party claims for damages arising from or related to challenge activities.

By participating in this competition, each member of the Student Team agrees to release and hold harmless HUD and the partnering housing authority divisions, advertising and promotional agencies, wholesalers and retailers, vendors, contractors, sub-contractors, and each of the foregoing entities’ employees, officers, directors, shareholders, members and agents (collectively

the “Released Parties”), from and against any and all claims, actions and/or liability for any injuries or death, loss or damage of any kind arising from or in connection with participation in and/or entry into the competition or acceptance, delivery, or use of any recognition, including without limitation, recognition of the finalists.

The Released Parties are not responsible or liable for any incorrect or inaccurate information, and assume no responsibility for (i) typographical or other errors in the printing of the promotional materials or the offering or announcement of recognition; (ii) any error, printing error, omission, interruption, defect or delay in operation or transmission at any website; (iii) failure of any entry to be received by HUD due to technical problems, printing error, human error or traffic congestion on the Internet or at any website; (iv) communications line, hardware and/or software failures; (v) damage to any computer (software or hardware) resulting from participation in the competition; (vi) theft or destruction of, tampering with, unauthorized access to, or alteration of entries and/or entry information; or (vi) entries that are late, lost, stolen, damaged, illegible and/or unintelligible (or any combination thereof).

General Conditions

All federal, state, and local laws and regulations apply.

HUD reserves the right, in its sole discretion, to cancel, terminate, modify or suspend this competition or any portion thereof, or to disqualify any individual, if for any reason: a) infection by computer virus, bugs, tampering, unauthorized intervention, actions by entrants, fraud, technical failures, or any other causes which, in HUD’s sole opinion, corrupt or affect the administration, security, fairness, integrity or proper conduct of the competition; (b) the competition or any website associated therewith (or any portion thereof) becomes corrupted or does not allow the proper processing of entries; or (c) the competition is otherwise not capable of running as planned.



Planning and Design Criteria

As in past years, the HUD Innovation in Affordable Housing (IAH) competition focuses on innovation. Understanding innovation provides a foundation for approaching your solution and should be a starting point for each team. Innovation has three basic definitions: a new idea, the act or process of introducing new ideas, and the process of translating an idea or invention into a good or service that increases value. In application, the starting point for innovative design is deconstructing the design program and the owner’s objectives for the project: What are we attempting to accomplish? What are the performance attributes we wish to improve? How can we improve durability, reduce energy consumption, improve resource utilization, improve indoor environmental quality, reduce environmental impact, increase community integration, increase density, improve resident quality of life, all while reducing first-cost? How does the design reflect equity? By analyzing and deconstructing the problem statement, and by asking the insightful questions, you place yourselves in a position to uncover, develop, and deploy innovative solutions. It is this journey that constitutes innovative design and the road competitors should travel.

The HUD Innovation in Affordable Housing competition is specifically asking teams to identify and develop innovative ideas and solutions. Innovation should be highlighted in all aspects outlined below, while balancing affordability with resource efficiency, durability, and resiliency. The dwellings should be designed for accessibility and healthy living with natural daylight and indoor environmental quality, as well as defined outdoor community and appropriate recreational spaces. The integration of advanced technologies is encouraged along with renewable and renewable-ready design.

Creative and imaginative solutions are sought. Keep in mind that jurors and housing authorities will be most impressed by original thinking. Teams are encouraged to create a new narrative for affordable housing, reimagining the way we plan for, design, and build affordable housing.

While teams should emphasize innovation in all aspects of their solutions, the following criteria should be investigated:

Environmental

- **Durable:** Long lasting/low maintenance requirements.
- **Healthy:** Design for occupant health, safety, and psychological well-being.
- **Energy and Water Efficient:** Design for low-energy and low-water use requirements.
- **Resource Efficient:** Efficient use of materials; rapidly renewable materials; recycled content/recyclable.
- **Low-impact:** Design that either enhances or does not significantly diminish environmental quality.
- **Resilient:** Design and construction of buildings that resist natural and man-made hazards and provide for the protection of life, safety, and security of all residents.
- **Life Cycle Assessment:** Technique to assess environmental impacts of a product over all stages of its life.



Financial

- **Funding:** Primary sources contributing to financial pro forma; understanding rules, regulations, and guidelines.
- **Leveraging:** Secondary sources making use of or combining various financial instruments, such as tax credits, to increase the potential return of an investment.
- **Cash Flow:** Explore all potential funding sources and create alternative or innovative financing plans.
- **Affordable:** Determine cost effective measures to construct and operate over the long term.
- **Initial Capital Cost:** Fixed, one-time expenses associated with development.
- **Operations and Maintenance:** Day-to-day activities required to ensure that the building, systems, and equipment perform as intended.
- **Design for Replacement:** Ease of replacing systems, equipment, or building components as they wear or fail.
- **Infrastructure Longevity:** Design to remain serviceable well beyond financing term.

Social

- **Neighborhood:** Allowing for and encouraging social interaction among residents of a distinct community and within the wider surrounding community.
- **Access to Employment and Services:** Provide or make use of existing transportation networks to link the site with commercial centers.
- **Accessible:** Readily usable by individuals with varying degrees of physical ability.
- **Sense of Community:** Emotional connections wherein residents care about the community, value their relationships to community and its members, and are invested in the future of the community.
- **Social Networking:** The ability to connect with people and places, including access to amenities, health care, and supportive services, contributes to overall well-being, helps to lower the risk of isolation, and enhances independence.
- **Sense of Place:** Creating an imageable perception of a unique or special place.
- **Sense of Control and Comfort:** Engendering individual ownership of place to promote physical and emotional well-being.

Equity

- **Redressing Past Social Injustices:** Equitably addressing past injustices based on race, income, or other critical demographic and cultural differences.

The Project

The primary goal of the project is to maximize the number of affordable units on a 0.45 acre underdeveloped Chicago Housing Authority-owned site located at 420-430 W North Ave Chicago, IL 60610. The site is located in a thriving neighborhood and currently contains two vacant, low-rise 6-unit public housing buildings past their useful life. Densifying and adding



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additional amenities on the site, ensuring congruity with the surrounding neighborhood and alignment with the City of Chicago's Climate Action Plan and retrofit and electrification goals are additional priorities.

The Site

The site, 420-430 West North Avenue, is bound by N. Sedgwick Street to the east, W. North Avenue to the south, N. Hudson Avenue to the west, and an alley to the north. The site is located within the Lincoln Park Community area and Old Town neighborhood, which has adjacencies to the Gold Coast to the east, Cabrini-Green to the south, and Goose Island to the west. The site is in Chicago's 2nd Ward. The population within a half mile of the site in 2020:

- 23,381 individuals
- 13,407 households.
- 73.2% White,
- 17.1% Black,
- 6.1% Asian,
- 2.5% two or more Races,
- 0.9% some other Race,
- 0.1% Pacific Islander, and
- 0.1% American Indian



The adjacent land uses consist of residential to the north, east, and west, and mixed-use to the south along W North Avenue. The buildings surrounding the site include two-, three-, and four-story residential buildings, with mixed-use buildings along W North Avenue varying in height,

between one and five stories, and some taller buildings within close proximity on W North Avenue.

The site is situated along the southern boundary of the Old Town Triangle District which consists of narrow treelined streets and distinctive architectural character including small frame Worker's style Cottages, larger brick and stone houses, rowhouses, and apartment buildings along the eastern portion of the district. Additionally, the site is situated near numerous architecturally historically significant structures inventoried under the Survey's Orange Category, which means those properties possess some architectural feature or historical association that made them potentially significant in the context of the surrounding community.

Please refer to the resources provided by the Chicago Housing Authority for additional site information.

Affordability

Based on Area Median Income (AMI), maximum rents will vary, as the rent structure is a sliding scale based on a percentage of net adjusted income. Apartments will primarily be available for 0-50% AMI, or as outlined by proposed funding sources.

Program

The Chicago Housing Authority (CHA) provides homes to more than 63,000 households and 130,000 individuals while supporting healthy communities in neighborhoods throughout the city. Designated a Moving to Work (MTW) agency by HUD, CHA has used the MTW flexibility to create innovative partnerships to expand choices and opportunities for the low-income families and individuals it serves. At the start of 2018, 63 percent of work-able CHA residents were working and earning a yearly average of almost \$22,000.

The Chicago Housing Authority is a municipal not-for-profit corporation, governed by a Board of commissioners consisting of ten members. The commissioners are appointed by the mayor.

Site Development

The CHA has indicated that the ideal site design would include a multifamily, affordable residential building of one-to-four-bedroom units that prioritizes sustainable design with on-site amenities and/or common spaces. Zoning options and considerations will need to be considered.

Critical Considerations

Successful projects will address the program, solve for the design criteria, and will respond to the following questions:

- What aspects of your design innovatively addresses the needs of densifying and adding amenities to the site while maximizing the number of affordable units?



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- How does your solution respond to the site, zoning, and building code requirements or restrictions? How does your solution ensure congruity with the surrounding neighborhood?
- How does your proposed design interact with the site?
- What innovative approaches did you employ in developing your design relative to the restrictions or opportunities presented by the site?
- What innovative energy efficiency, water conservation, and renewable energy strategies did you incorporate into your design? How does your solution align with the City of Chicago’s Climate Action Plan?
- What innovative approaches did you employ to integrate your design into the neighborhood and community?
- How does your solution equitably address past injustices based on race, income, or other critical demographic and cultural differences?
- What do your cultural and social considerations look like, and how does diversity, equity and inclusion play a role?
- How are themes of transit-oriented development emphasized?
- What services and activity settings are planned and provided for to improve the quality of life for the population served?
- How are you planning to finance the project?
- What innovative financing solutions did you explore for leveraging and partnerships?
- Explain how your design and financial solutions innovatively integrate best practices and technology into your solution.

Financial Considerations

The overall project should concentrate on one-through four-bedroom units serving households primarily at or below 50 percent of the average median income (AMI). The project may be financed by a variety of state and federal funding sources and may include various repositioning options, including but not limited to RAD/Section 18 Blends, Project Based Vouchers, or Rental Assistance Demonstration (RAD). The project does not have committed funding sources at this time.

Accessibility Regulations

Federal:

Fair Housing Amendments Act (FHA)

- In newly constructed non-elevator buildings containing at least 4 dwelling units, all ground floor units must comply with the FHA’s seven design and construction requirements.
 - Req 1: Accessible building entrance on an accessible route
 - Req 2: Accessible public and common-use areas
 - Req 3: Usable doors

- Req 4: Accessible route into and through the unit
- Req 5: Controls in accessible locations
- Req 6: Reinforced walls for the later installation of grab bars
- Req 7: Usable kitchens and bathrooms
- There are 10 HUD-approved ‘safe harbors’ for FHA compliance. They can be found here: <http://www.fairhousingfirst.org/faq/safeharbors.html>

Section 504 of the Rehab Act of 1973 (Section 504)

- Section 504 requires access to programs which receive HUD funding. When a newly constructed HUD-funded housing development contains at least 5 units, ‘the project’ is subject to Section 504. Housing developed by a Housing Authority is subject to Section 504. Among other requirements of the Section 504 regulations; no less than 5% of the total number of dwelling units in ‘the project’ must comply with the accessible design and construction requirements of the Uniform Federal Accessibility Standards (UFAS) or the 2010 ADA Standards for Accessible Design; these must be disbursed throughout the building(s) and site and among the various unit types available. An additional 2% of the total number of dwelling units in ‘the project’ must accommodate the needs of people with hearing and visual disabilities (H&V units). The Section 504 regulations can be found here:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/sect504faq; UFAS can be found here: <http://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas>; the 2010 ADA Standards for Accessible Design can be found here:
https://www.ada.gov/2010ADAstandards_index.htm

Americans with Disabilities Act Title II (ADA)

- Title II of the ADA applies to activities of states and local governments. A housing authority is considered part of a local government. As a result, Title II applies to all housing developed by a housing authority. No less than 5% of the total number of dwelling units in ‘the project’ must comply with the accessible design and construction requirements of the 2010 ADA Standards for Accessible Design; these must be disbursed throughout the site and among the various unit types available. An additional 2% of the total number of dwelling units in ‘the project’ must accommodate the needs of people with hearing and visual disabilities. The 2010 ADA Standards can be found here:
http://www.ada.gov/2010ADAstandards_index.htm

NOTE: Use of the 2010 Standards for Accessible Design in lieu of UFAS will satisfy the accessible design and construction requirements of Title II of the ADA and Section 504.

State:

State of Illinois: The Fair Housing Division of the Illinois Department of Human Rights (IDHR) is responsible for investigating charges of unlawful discrimination involving real estate transactions for residential (housing) or commercial property. The Illinois Human Rights Act prohibits housing discrimination in real estate transactions based on race, sex, age (40 and older),

color, sexual orientation, military status, ancestry, marital status, unfavorable discharge from military service, national origin, pregnancy, arrest record, religion, familial status (families with children under 18 years old) source of income (effective 1/1/23), disability, or order of protection status.

The Illinois Human Rights Act prohibits discrimination in all aspects of real estate transactions, including renting or leasing, home sales, mortgage lending and insurance, advertising, practices such as restrictive covenants, and new construction. The law also prohibits aiding and abetting unlawful discrimination, intimidation and interference in the exercise or enjoyment of an individual's fair housing rights, and retaliation against an individual for opposing what they reasonably believe is unlawful discrimination.

The Fair Housing provisions of the Illinois Human Rights Act apply to landlords, owners, property management companies, real estate agents, home sellers, builders, appraisers, mortgage lenders (banks and loan brokers), third-party loan modification service providers and any other person engaged in a real estate transaction.

Find more information on the [Illinois Department of Human Rights](#) webpage.

City of Chicago: In the City of Chicago, the law that governs fair housing is the Chicago Fair Housing Ordinance (CFHO) enforced by the Chicago Commission on Human Relations (CCHR). The CFHO prohibits discrimination based on race, sex, color, age, religion, disability, national origin, ancestry, parental status, sexual orientation, gender identity, marital status, military status, and source of income.

Find more on the [City of Chicago](#) webpage.

Applicable HUD Programs

The Rental Assistance Demonstration (RAD)

- The Housing Authority plans to use HUD's RAD program to help finance the rehabilitation or redevelopment of the property.
- RAD allows proven financing tools to be applied to at-risk public and assisted housing and has two components:

1st Component - Allows Public Housing and Moderate Rehabilitation (Mod Rehab) properties to convert, under a competition limited to 60,000 units, to long-term Section 8 rental assistance contracts;

2nd Component - Allows Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Mod Rehab properties to convert tenant-based vouchers issued upon contract expiration or termination to project-based assistance.

- RAD is a central part of the Department's rental housing preservation strategy, which works to preserve the nation's stock of deeply affordable rental housing, promote efficiency within and among HUD programs, and build strong, stable communities.

RAD/Section 18 Blends

On January 19, 2021, HUD issued PIH Notice 2021-07 on the Demolition and Disposition of Public Housing under Section 18 of the U.S. Housing Act of 1937. This Notice supersedes and replaces Notice PIH 2018-04. This Notice describes examples of expanded eligibility for projects to "blend" project-based voucher ("PBV") assistance through a Rental Assistance Demonstration ("RAD") conversion with assistance from tenant protection vouchers ("TPVs") that are awarded through a Section 18 disposition approval, even if those units would not otherwise qualify for disposition. This Notice replaces the 75%/25% blend under PIH Notice 2018-04 to allow units in a project to qualify for Section 18 on a graduated scale based on the percentage of Housing Construction Costs ("HCC") that is met as part of the RAD conversion. Generally, if HCC exceeds 90% then up to 60% of the units may be disposed of through Section 18 (or up to 80% of the units in a high cost area); if HCC exceeds 60% then up to 40% of the units may be disposed of through Section 18; or if HCC exceeds 30% then up to 20% of the units may be disposed of through Section 18.

Moving to Work

Moving to Work (MTW) is a demonstration program for public housing authorities (PHAs) that provides them the opportunity to design and test innovative, locally designed strategies that use Federal dollars more efficiently, help residents find employment and become self-sufficient, and increase housing choices for low-income families. MTW allows PHAs exemptions from many existing public housing and voucher rules and provides funding flexibility with how they use their federal funds. PHAs in the MTW demonstration have pioneered a number of innovative policy interventions that have been proven to be successful at the local level, and subsequently rolled out to the rest of the country's PHAs.

For additional information, visit HUD's [Move to Work webpage](#).

Project Based Vouchers

Project-based vouchers (PBVs) are a component of a public housing agency's (PHA's) Housing Choice Voucher (HCV) program. PHAs are not allocated additional funding for PBV units; the PHA uses its tenant-based voucher funding to allocate project-based units to a project. Projects are typically selected for PBVs through a competitive process managed by the PHA; although in certain cases projects may be selected non-competitively.

A PHA can use up to 20 percent of its authorized voucher units to project-base units in a specific project if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set-aside a portion of the units in an existing development. In certain cases, the PHA may use an additional 10 percent of its authorized voucher units for PBV assistance. Information as to whether a PHA manages the PBV program may be found by contacting the local PHA.

The PBV program was enacted in 1998, as part of the statutory merger of the certificate and voucher tenant-based assistance programs under the Quality Housing and Work Responsibility Act of 1998. Significant changes to the program were subsequently enacted in law in 2000, by the Fiscal Year 2001 Appropriations Act, and in 2008, by the Housing and Economic Recovery Act of 2008. The latest statutory changes to the PBV program were enacted recently by the Housing Opportunity Through Modernization Act of 2016 (HOTMA). A detail account of the



HOTMA changes, and further guidance, is provided under PIH Notice 2017-21, published October 30, 2017.

Housing Choice Voucher Program Section 8

- The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.
- The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.
- Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.
- A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by the PHA.
- A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home.

Other Applicable Federal Programs

LIHTC

- The Low-Income Housing Tax Credit (LIHTC) program uses tax policy to help develop affordable rental housing for low and very low-income families. Originally part of the Tax Reform Act of 1986, the LIHTC program leverages private capital and investor equity to support the development of new and rehabilitated affordable rental housing.
- In general, state governments can adapt the LIHTC program to meet their housing needs under broad federal guidelines.
- The private sector carries all development and marketing risk and enforces strong oversight and accountability. Investors only get to claim and keep the tax credits if their units are built, leased and maintained as affordable housing throughout a 15-year compliance period.
- Many states enforce a 15-year extended-use period to require that properties stay affordable beyond the first 15 years.
- States use a competitive process to award developers with credits.