The 2nd Component of the Rental Assistance Demonstration offered owners of Rent Supplement, Rental Assistance Payment, and Mod Rehab contracts the ability to convert the tenant-protection assistance that would have been issued at contract termination or expiration to long-term Project-Based Voucher contracts. This option was set to expire on September 30, 2013, but Section 149 of the Continuing Resolution (CR) that was enacted by Congress allows HUD to extend the 2nd Component of RAD through January 15, 2014 (the duration of the CR).

This extended authority allows owners and administering PHAs the opportunity to close out projects that were not able to close prior to September 30, 2013. Unfortunately, given the limited duration of this extended authority (paired with Notice timing and HUD processing requirements), as well as the limited availability of tenant-protection funds, HUD is not able to accept new prospective conversion requests during the CR. However, as Retroactive conversion actions rely on already-funded TPVs administered by a local PHA, Retroactive conversion applications that can meet all Notice requirements and submit a completed application by January 15, 2014 will be accepted.

Owners with contract expirations that fall within the period of the CR (October 1, 2013 through January 15, 2014) should reach out to their MF project managers to request short-term contract extensions, which will allow owners the time to apply for RAD if authority is granted through the FY14 Budget. If a contract extension is not desired, the MF project manager will proceed in requesting tenant protection vouchers for affected residents.

Any questions about this process can be directed to the RAD team at RAD@hud.gov.