



**RENO HOUSING AUTHORITY**

**PUBLIC HOUSING  
REPOSITIONING  
USING SECTION 18**

**HAWK VIEW  
RESIDENT MEETING**

PHA's don't receive enough federal funding to continue to maintain, repair or replace public housing properties. HUD recognized the need to provide options to PHA's to address the funding shortfall.

- Section 18 is a part of the U.S. Housing Act of 1937 and is often referred to Section 18 demolition/disposition.
- Allows Public Housing Authorities (PHA) to demolish or dispose of their public housing to help PHA's reposition public housing to a more sustainable financial platform and access private capital to complete redevelopment/new construction.
- Disposition means conveyance or transfer of any interest in the real estate of a PH development by a PHA.
- Demolition means the razing or other means, in whole or in part, of any interest in the real estate of a PH development.



# What is Section 18?

Demolition/Disposition  
Program

- Section 18 provides PHA's access to additional sources of funding to help maintain, repair or replace public housing properties.
- Public housing properties are able to remain federally subsidized, but through a more stable funding source.
- Section 18 allows PHA's to leverage debt and equity to reinvest in the public housing stock and maintain it as affordable housing outside of the Public Housing program.
- PHA's must demonstrate through a Capital Needs Assessment (CNA) that the site meets the "obsolescence" threshold to qualify for demolition.



## Why would RHA use Section 18?

To help Public Housing Authorities maintain, repair and replace public housing properties.

# RHA's Plan for Hawk View Using Section 18

Due to the extensive capital needs required at Hawk View specifically related to the site's location in an area with significant clay composition in the soil, RHA will be demolishing the complex and rebuilding after site work is completed to mitigate future issues due to soil composition.

## Disposition

- RHA will create a business entity to dispose (or transfer) Hawk View to. Section 18 requires disposition to a different business entity than the PHA. However, the PHA can be the sole owner of the business entity.
- RHA will continue to own the complex, but this will officially remove the units from the Public Housing program including associated funding provided by HUD through the Public Housing program.
- RHA will use the new business entity and ownership of the complex to apply for and obtain financing to demolish and rebuild the site.
- Affordable housing financing sources will be used to demolish and rebuild the site including LIHTC and other sources that ensure units remain affordable.

## Demolition

- Once financing for the new complex "closes", RHA will demolish the complex in phases and rebuild on the vacant land after site work mitigates the clay in the soil.
- Once each phase of demolition and construction is completed, the new affordable housing units will be leased.
- All units will be affordable, and most will have a Project Based Voucher assigned to them to ensure long term affordability for tenants.
- RHA will own the new affordable complex and continue to manage it and offer it to the community as affordable housing.



# THE Section 18 CONVERSION PROCESS



We are here

# HOW WILL SECTION 18 IMPACT RESIDENTS?

We will answer ALL of  
your questions.  
**YOU** are our first priority!

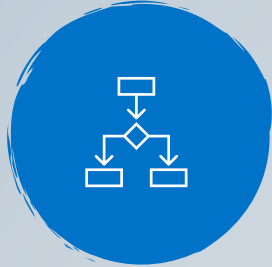


# Resident Rights Under Section 18 Conversion



## To Be Informed

Residents have the right to be informed of the PHA plan and received ongoing updates through the relocation process.



## Alternative Housing Options

RHA will provide comparable housing due to permanent relocation. This could include a move to another PH unit, another RHA owned unit or a tenant-based voucher.



## Relocation Assistance

RHA will pay actual and reasonable relocation costs.



## No Rescreening

RHA will not rescreen for eligibility for the HCV program if a voucher is used to provide comparable housing.



## Resident Self-Sufficiency Programs

The FSS program will continue to be available under relocation alternative housing options.



**WILL I STILL HAVE  
RENTAL  
ASSISTANCE  
AFTER A SECTION  
18 CONVERSION?**

**YES**

Each resident in good standing will be offered alternative housing options due to a Section 18 conversion. This could be a transfer to another PH unit or RHA owned property or issuance of a tenant-based voucher.

**WILL I BE EVICTED  
OR LOSE MY  
HOUSING  
ASSISTANCE  
BECAUSE OF  
SECTION 18?**

**NO**

Although relocation will be considered permanent, RHA will ensure all resident in good standing will be provided housing assistance either under PH or a voucher.

# WILL I HAVE TO MOVE?

## YES

Based on the capital needs at Hawk View, RHA will be demolishing buildings and rebuilding. We anticipate this to take more than 12-months which means relocations are considered permanent.

RHA will provide alternative housing options and relocation assistance to all impacted tenants in good standing.

# WHERE WILL I GO?

**Relocation can take many forms.**

You may relocate another PH unit at another site, to another RHA owned property, or you may be offered a voucher to relocate to a non-RHA owned property.

All relocations will include continued housing subsidy of some kind.

# HOW DOES RELOCATION WORK?

**RHA will provide relocation assistance and relocation costs will be covered.**

Well before RHA begins construction, you will meet with a relocation specialist to create a relocation plan specifically for you. All of your relocation questions will be answered before your relocation plan is created **with** you.

**WHAT IF I AM  
CURRENTLY IN A  
LARGER OR  
SMALLER UNIT  
THAN MY  
FAMILY  
QUALIFIES FOR?**

Upon relocation, RHA will attempt to move residents into units that match RHA's occupancy standards under the assistance program being offered by the resident (i.e. PH program or voucher program).

**IF MY COMPLEX IS  
NO LONGER  
ASSISTED  
THROUGH THE  
PUBLIC HOUSING  
PROGRAM, HOW  
CAN IT STAY  
AFFORDABLE?**

## **Project Based Vouchers**

After conversion, RHA will be placing Project Based Tenant Protection Vouchers (TPV) on the units in the complex.

A PBV is a voucher that is tied to the unit itself rather than a household.

# WILL RELOCATION AFFECT MY RENT?

## NOT LIKELY

Most residents will not have rent increases because of RHA's decision to perform Section 18 repositioning.

You will continue to pay 30% of your income toward your rent and utilities.



**WILL MY  
ELIGIBILITY FOR  
HOUSING  
ASSISTANCE BE  
REDETERMINED IF  
I AM ISSUED A  
VOUCHER?**

**NO**

Your eligibility will not be rescreened if a tenant-based voucher is issued to facilitate relocation. However, income limits of the voucher program will apply.

# WHAT WILL HAPPEN TO THE GARDEN AND ART INSTALLATION?

RHA is excited by the garden and art installation beginning at Hawk View. RHA has every intent to provide space at the new complex for the garden and art space. The garden boxes and art will be preserved but may reside in a different location on the site after construction is complete.

# **DO NOT MOVE PRIOR TO MEETING WITH A RELOCATION SPECIALIST AND BEING PROVIDED WITH YOUR RELOCATION PLAN**

**IF YOU MOVE PRIOR TO MEETING WITH A  
RELOCATION SPECIALIST, RHA WILL NOT BE ABLE TO  
ASSIST YOU WITH RELOCATION COSTS AND YOU WILL  
FORFEIT YOUR RENTAL ASSISTANCE.**

# THINGS TO DO TO STAY INFORMED

01

Review Notices for information about the Section 18 process

02

Attend Resident Meetings

03

Ask questions

04

Request clarification or more information before signing documents

05

Indicate if you need additional assistance

**RHA KNOWS THAT THE SECTION 18  
CONVERSION PROCESS CAN BE SCARY AND  
CONFUSING. WE WILL DO EVERYTHING IN  
OUR POWER TO MAKE SURE YOU GET ALL OF  
YOUR QUESTIONS ANSWERED BEFORE THE  
PROCESS STARTS.**

**IN ADDITION TO THE FREQUENTLY ASKED QUESTIONS HANDOUT YOU WILL BE GIVEN TODAY,  
RHA WILL HOLD MORE RESIDENT MEETINGS AS THE PROCESS CONTINUES IN ORDER TO  
ANSWER ANY QUESTIONS YOU MAY HAVE.**

**RAD UPDATE MEETINGS WILL BE SCHEDULED AS NEW INFORMATION IS AVAILABLE.**

**YOUR HOUSING IS OUR HIGHEST PRIORITY**