



Washington

GAO Outlines RAD Shortcomings: HUD's centerpiece Rental Assistance Demonstration program is in trouble according to the latest assessment from Government Accountability Office gumshoes. But observers would hardly guess there is anything wrong with a program that has lawmakers and two administrations enthralled over its goal of solving the public housing rehabilitation crisis. Born during the Obama administration, RAD is designed to attract private investment to rehabilitate existing public housing stock and manage the result with the Section 8 housing voucher program paying the bills and generating a profit. HUD would continue overseeing the public housing program. So far, lawmakers, who have blessed the conversion of nearly half of the 1.1 million public housing units since 2012, are enthused over a prospect designed to banish a multi-billion dollar dilemma to the private sector. But the GAO study shows gaping holes in HUD's enthusiasm to keep a close eye on its responsibilities. HUD's reply to the report is largely ho-hum with agreement to improve oversight which prompts HUD insiders to proclaim, "What oversight?" HUD has been besieged with problems about its oversight of public housing which has deteriorated to a current estimate of \$30 billion plus in needed repairs (\$25.6 billion in 2010 with an annual accrual rate of \$3.4 billion).

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