



United States  
General Accounting Office  
Washington, D.C. 20548

General Government Division

B-258643

October 31, 1994

The Honorable James A. Leach  
Ranking Minority Member  
Committee on Banking, Finance and  
Urban Affairs  
House of Representatives

Dear Mr. Leach:

The Resolution Trust Corporation (RTC) Completion Act of 1993 required that we review RTC's Affordable Housing Disposition Program (AHDP). The results of our review are presented in our report Resolution Trust Corporation: Affordable Housing Disposition Program Achieving Mixed Results (GAO/GGD-94-202, Sept. 28, 1994). As part of that review, the Minority Deputy Staff Director of the Subcommittee on Housing and Community Development, House Committee on Banking, Finance and Urban Affairs asked us to provide you with information on the nature and cost of an RTC AHDP open house held on May 11, 1993, in Washington, D.C. We are providing this information separately because it was outside the scope of the original assignment.

The purpose of the AHDP open house was to highlight the program successes and provide information on single- and multifamily property sales to new members of Congress and their staffs, newly-appointed officials at federal agencies, and representatives from national nonprofit organizations and public housing agencies. The open house was held at RTC's headquarters, lasted about 3 hours, and was attended by about 300 people.

The keynote address was given by U.S. Department of Housing and Urban Development (HUD) Deputy Secretary Terence Duvernay. Mr. Duvernay commended the program and acknowledged that, on the basis of the success of RTC's program, HUD would be making major structural changes in its property disposition program to make it more responsive to the needs of the low- and moderate-income buyers. Remarks were also provided by two members of Congress. Congressman Floyd Flake told prospective buyers that AHDP was one of the best programs they could be involved with. Congressman Barney Frank commented that AHDP was the most cost effective way of creating affordable housing. Congresswoman Marge Roukema was also scheduled to provide remarks, but she did not attend.

The open house also featured affordable housing booths from RTC field offices in Atlanta; Dallas; Denver; Kansas City; Newport

GAO/GGD-95-23R, RTC Affordable Housing Open House

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Beach, CA; and Valley Forge, PA. RTC AHDP field office staff along with a multifamily housing buyer and a technical assistance advisor attended the booths to describe how AHDP worked in their region. For example, Kansas City staff described how a bookmobile entertained children while parents prequalified for auctions. Additionally, brochures explaining how to purchase single- and multifamily properties under AHDP and identifying the locations of these properties were available at the booths.

The total cost of the open house was about \$13,885, according to information provided by RTC. Table 1 provides a breakdown of this cost. We did not verify the accuracy of this data.

Table 1: Reported Cost of May 11, 1993, AHDP Open House

Categories	Costs
Audio services	\$704
Catering services	\$839
Travel and hotel	\$12,342 <sup>a</sup>
<b>Total</b>	<b>\$13,885</b>

<sup>a</sup>Of this amount, \$5,478 was reported as spent on airfare and hotels for AHDP field office staff, and \$6,864 was reported as spent on airfare and hotels for technical assistance advisors, multifamily buyers, and a representative from the Federal Home Loan Bank of Dallas.

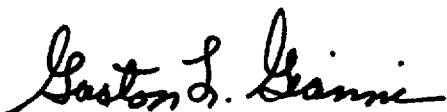
Source: RTC AHDP.

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We are sending copies of this letter to interested congressional committees and members, and the Deputy and Acting Chief Executive Officer of RTC. We will also provide copies to others upon request.

If you have any questions concerning this information, please contact me on (202) 736-0479.

Sincerely yours,



Gaston L. Gianni, Jr.  
Associate Director, Government  
Business Operations Issues

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