



March 2015

MILITARY BASE REALIGNMENTS AND CLOSURES

Process for Reusing Property for Homeless Assistance Needs Improvements

Accessible Version

GAO Highlights

Highlights of [GAO-15-274](#), a report to congressional committees

Why GAO Did This Study

The 2005 BRAC round resulted in 125 closed bases with over 73,000 acres of surplus property available. The Defense Base Closure and Realignment Act, as amended, requires DOD and HUD to assist communities in determining the best reuse of land and facilities, balancing needs of the local economy with those of homeless individuals and families.

GAO was mandated to review the extent to which DOD and HUD implemented the homeless assistance provisions while disposing of BRAC surplus property. This report addresses (1) the assistance provided as a result of BRAC 2005 and the extent to which DOD and HUD track its implementation and (2) any benefits and challenges encountered as DOD, HUD, and LRAs addressed homeless assistance provisions. GAO reviewed homeless assistance plans; interviewed DOD and HUD officials; and interviewed LRAs and homeless assistance providers from a nongeneralizable sample of 23 closed bases, selected based on size, geography, and types of assistance provided.

What GAO Recommends

GAO recommends that DOD and HUD track conveyance status and provide clear information on four steps of the homeless assistance process. HUD generally concurred, and DOD either partially concurred or did not concur with these recommendations, stating its existing guidance is sufficient. GAO believes these recommendations are still valid as discussed in the report. GAO also recommends that HUD address staff resources during a BRAC round, and HUD generally concurred.

View [GAO-15-274](#). For more information, contact Brian J. Lepore at (202) 512-4523 or leporeb@gao.gov.

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What GAO Found

A variety of homeless assistance was provided as a result of the 2005 round of base realignments and closures (BRAC), but the Departments of Defense (DOD) and Housing and Urban Development (HUD) do not require homeless assistance conveyance data to be tracked. Of the 125 large and small bases closed with surplus property, local redevelopment authorities (LRA) at 39 bases agreed to provide homeless assistance to 75 providers. If implemented, these agreements would provide nearly 50 parcels of property and over \$29 million in total assistance. As of October 2014, GAO found that 27 of the 75 providers with agreements had received their property or monetary conveyances. However, DOD and HUD do not require tracking of the status of the homeless assistance conveyances. In contrast, the program administrator of the Title V homeless assistance program, which oversees conveyances for non-BRAC properties, developed policies to perform oversight in part because the government retains an interest in Title V properties. Without tracking the status of the conveyances, neither DOD nor HUD know the extent to which properties are actually being conveyed; the extent to which the providers are using the properties for their intended use; the extent to which LRAs are making sufficient efforts to find a replacement provider in the event of a provider dropping out; and ultimately the effectiveness of the homeless assistance program.

BRAC surplus property benefited homeless assistance efforts, but limited information and dedicated HUD resources contributed to challenges in the timeliness and feasibility of assistance provided. Homeless assistance providers GAO interviewed said that, among other things, the BRAC homeless assistance program provided the overall benefit of a no-cost property conveyance or financial assistance to support local homeless assistance efforts. However, LRAs and providers GAO interviewed also stated that they did not have sufficient and clear information from DOD and HUD regarding four steps of the homeless assistance process: (1) what information LRAs should give providers during property tours and workshops, (2) what information to include in providers' notices of interest about properties, (3) what information to include in developing legally binding agreements for conveying assistance, and (4) what alternatives are available to on-base property conveyances. For example, during required property tours and workshops, LRAs were unaware of what information to give and gave providers limited property condition information, which led to some providers withdrawing after they identified the cost of needed repairs. Without detailed information on these four steps, LRAs and providers may not have the knowledge necessary to make informed decisions. LRA officials also stated that they appreciated advice from HUD staff on the BRAC process. However, GAO found that HUD did not have enough resources dedicated to meet the 60-day review deadline in the BRAC statute for reviewing LRA redevelopment plans. According to HUD, two staff were assigned to review the plans, taking an average of 151 days longer than allowed to approve redevelopment plans with homeless assistance. However, HUD has not developed options to address reviewing the surge of plans in any future BRAC rounds. Without a means to ensure that needed staff resources are dedicated to HUD's review process, it will be difficult for HUD to provide reasonable assurance that the delays experienced during the BRAC 2005 round will not be repeated.

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Abbreviations

BRAC	Base Realignment and Closure
DOD	Department of Defense
HUD	Department of Housing and Urban Development
LRA	local redevelopment authority

Redevelopment Act Base Closure Community Redevelopment and
Homeless Assistance Act of 1994

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Letter

441 G St. N.W.
Washington, DC 20548

March 16, 2015

Congressional Committees

A military base closure, while initially a source of local uncertainty and challenges, also represents an opportunity for the local community to potentially reuse the land and facilities to address community shortfalls, including addressing the issue of homelessness. According to the National Law Center on Homelessness and Poverty, as of October 2013 the number of Americans experiencing homelessness is estimated to be between 1.5 million and 3.5 million in a given year.¹ As a result of the 2005 round of base realignments and closures (BRAC), 125 closed bases and over 73,000 acres of surplus property became available to meet the needs of the local community for economic development, job growth, public facilities and services, and homeless assistance.² The Defense Base Closure and Realignment Act of 1990, as amended (the BRAC statute), requires the Departments of Defense (DOD) and Housing and Urban Development (HUD) to take certain steps as part of the larger BRAC process to both address the affected communities' economic interests in base reuse and help meet local needs for homeless assistance.³ By providing homeless assistance providers with a no-cost conveyance of surplus military property for homeless housing and services, the 2005 BRAC round had the potential to meet some of the

¹National Law Center on Homelessness and Poverty. *This Land Is Your Land: How Surplus Federal Property Can Prevent and End Homelessness* (Washington, D.C.: October 2013).

²For the purposes of this report, we are defining bases to include major closure installations—those defined by the Department of Defense (DOD) as having a plant replacement value exceeding \$100 million—as well as any other facility closed under the BRAC 2005 round.

³The Defense Base Closure and Realignment Act of 1990, Pub. L. No. 101-510, Title XXIX (10 U.S.C. § 2687 note), authorized the 1991, 1993, and 1995 BRAC rounds. In 1994, Congress passed the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Pub. L. No. 103-421), which amended that Base Closure and Realignment Act of 1990 to revise and improve the process for disposing of buildings and property at military bases under the base-closure laws, including significant changes related to homeless assistance. Congress further amended the Defense Base Closure and Realignment Act of 1990 on several occasions, including when it authorized the 2005 BRAC round with the passage of the National Defense Authorization Act for Fiscal Year 2002, Pub. L. No. 107-107, Title XXX (2001). Throughout this report, we will refer to the Defense Base Closure and Realignment Act of 1990 (as amended) as “the BRAC statute.”

urgent needs of those experiencing homelessness. If Congress should decide to authorize a future round of BRAC, certain communities will again potentially be faced with determining the best reuse of the land and facilities, including balancing the needs of the local economy with those of homeless individuals and families.

Under the BRAC statute, local redevelopment authorities (LRA), DOD, and HUD have key roles in the BRAC homeless assistance process.⁴ The LRA for each base approved for closure typically prepares a redevelopment plan after consulting with representatives of the homeless and other community groups affected by the base closure. DOD determines the surplus property available for redevelopment and homeless assistance, provides the LRAs with guidance on the planning process, and ultimately conveys the surplus property. Meanwhile, HUD evaluates the redevelopment plans to assess whether they appropriately balance the needs of the community for economic and other development with the needs of the homeless by reviewing and approving redevelopment plans.

Since 2005, we have issued over 30 reports and testimonies on BRAC 2005 planning, implementation, costs, and savings that highlight information DOD can use to improve the BRAC recommendation development and implementation process. In a May 2013 report on providing communities additional information to improve their ability to adjust to base closures, we found that an expectations gap existed between the Army and communities regarding the levels of maintenance to be provided to facilities during the transition period between the Army's maintenance of the base and the transfer to the community. For example, an official with the Army BRAC office told us that in fiscal year 2013 the Army provided \$49 million in caretaker funds for installations closed during BRAC 2005; however, the official further stated that the LRAs would like the buildings to be in new condition, which was not a realistic expectation. We recommended, among other things, that the Army issue guidance on specific levels of maintenance to be followed in the event of

⁴LRAs are any authority established by state or local government and recognized by the Secretary of Defense, through the Office of Economic Adjustment, as the entity responsible for developing the redevelopment plan with respect to the base or for directing implementation of the plan.

a BRAC closure based on the probable reuse of the facilities.⁵ DOD concurred with our recommendation. While there have been no additional base closures since May 2013, in June 2014 DOD told us that the Army agreed to publish property-maintenance guidance prior to closing installations in the event of future base closures.

We have also issued numerous reports evaluating the effectiveness of federal programs in meeting the housing and supportive-service needs of those experiencing homelessness. In September 2014, we issued a report reviewing implementation of Title V of the McKinney-Vento Homeless Assistance Act,⁶ which requires federal landholding agencies—excluding DOD for the purposes of the BRAC 1995 and 2005 rounds—to identify unused federal real property and make it available to homeless assistance providers.⁷ We found that homeless assistance providers identified challenges with the Title V homeless assistance program, such as locating information on available properties and a complex application. We recommended, among other things, that HUD and other Title V homeless assistance program administrators address the challenges that homeless assistance providers face by developing a web-based source of information on the program. HUD concurred and noted that it had already proposed legislative changes to create a web-based source of information on available properties, although we reiterated that our recommendation was not contingent upon legislative changes. The Related GAO Products page at the end of this report provides a listing of our BRAC and homeless assistance reports and testimonies.

In its report accompanying a bill for the National Defense Authorization Act for Fiscal Year 2015, the House Armed Services Committee

⁵GAO, *Defense Infrastructure: Communities Need Additional Guidance and Information to Improve Their Ability to Adjust to DOD Installation Closure or Growth*, [GAO-13-436](#) (Washington, D.C.: May 14, 2013).

⁶Pub. L. No. 100-77 (1987) (codified as amended in relevant part at 42 U.S.C. §§ 11411 and 11412). The Stewart B. McKinney Homeless Assistance Act, enacted in 1987, was renamed the McKinney-Vento Homeless Assistance Act in October 2000 by Pub. L. No. 106-400 (2000). For the purposes of this report, we will refer to this program as it applied to the BRAC process as the Title V homeless assistance program. This program applied to BRAC closures prior to October 25, 1994. Homeless assistance for subsequent closures in the 1995 and 2005 rounds of BRAC was subject to amendments in the BRAC statute.

⁷GAO, *Federal Real Property: More Useful Information to Providers Could Improve the Homeless Assistance Program*, [GAO-14-739](#) (Washington, D.C.: Sept. 30, 2014).

mandated that we review the extent to which DOD and HUD effectively implemented the homeless assistance provisions while disposing of BRAC surplus property.⁸ This report addresses (1) the types of assistance provided to homeless assistance providers as a result of BRAC 2005 and the extent to which DOD and HUD track implementation of the agreements reached, and (2) any benefits and challenges encountered as DOD, HUD, and the LRAs addressed provisions for homeless assistance as a result of BRAC 2005.

To determine the types of assistance provided to homeless assistance providers, we collected data on all 125 bases with surplus property closed as a result of BRAC 2005. To identify the number of bases that received notices of interest from homeless assistance providers, two analysts independently reviewed an internal HUD document used to track the BRAC 2005 homeless assistance process, reviewed all redevelopment plans for those entries in the HUD tracking document that indicated notices of interest were submitted, and reconciled our analysis accordingly. For those 51 LRAs that we determined had received interest from homeless assistance providers, we identified and analyzed information from the LRAs' homeless assistance submissions as part of their redevelopment plans to HUD. Specifically, we identified and analyzed data describing the number of notices of interest received, the number and types of properties agreed to be given to the homeless assistance providers, and the number and description of the conveyances of property or money that have occurred. We also analyzed the redevelopment plans to determine reasons why some notices of interest were not approved. Additionally, for each base with approved conveyances, we collected data as of October 2014 from DOD, the LRAs, and homeless assistance providers about the types and status of properties or money conveyed. We interviewed cognizant HUD officials regarding data reliability, including the data's completeness and accuracy, to help ensure that HUD's data were sufficiently reliable for our report. After assessing the data, we determined that the data were sufficiently reliable for the purposes of determining the types of assistance provided to homeless assistance providers. To evaluate the extent to which DOD and HUD tracked implementation of the agreements, we interviewed DOD and HUD officials regarding their roles in tracking the assistance provided to homeless assistance providers and compared these roles to

⁸H.R. Rep. No. 113-446 at 336 (2014).

criteria for management control activities in *Standards for Internal Control in the Federal Government*.⁹ We also reviewed the tracking requirements for the Title V homeless assistance program to determine whether any applicable comparisons could be made to the tracking requirements for the BRAC homeless assistance program.

To evaluate the benefits and challenges encountered as DOD, HUD, and the LRAs addressed provisions for homeless assistance, we collected documentary and testimonial evidence through a two-part approach. First, we collected data from the redevelopment plans from the 51 LRAs that received notices of interest from homeless assistance providers. Specifically, we identified requests for extensions and completion dates for required process steps, such as the homeless assistance submission to HUD and approval by HUD. We then analyzed these data to compare the actual timelines to the required timelines in the BRAC statute and regulations. We also interviewed cognizant HUD officials regarding data reliability, including about the data's completeness and accuracy, to help ensure that HUD's data were sufficiently reliable for our report. After assessing the data, we determined that the data were sufficiently reliable for the purposes of evaluating the challenges encountered in addressing the homeless assistance provisions. Second, to gather in-depth information from a sample of the bases with surplus property closed as a result of BRAC 2005, we conducted interviews regarding benefits and challenges of the homeless assistance process with the LRAs, homeless assistance providers, HUD field office representatives, and project managers from the military departments and DOD's Office of Economic Adjustment—DOD's primary source of assisting communities affected by BRAC—from 23 closed bases. We visited 11 of these sites in four locations—Georgia, New Jersey, Pennsylvania, and California—and we contacted the other 12 sites via phone. We selected bases to contact to reflect a range in number of homeless notices of interest received, size, geographical representation, types of homeless assistance conveyance provided, and to include representation from each military service. Ultimately, we contacted 12 bases that received notices of interest and implemented homeless assistance, 9 bases that received notices of interest and did not implement homeless assistance, and 2 bases that did not receive notices of interest. These interviews provided examples of

⁹GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington D.C.: November 1999).

benefits and challenges faced by each individual party, but information obtained is not generalizable to all parties involved in the homeless assistance process. Further, we compared information about the challenges cited with criteria for information and communications in *Standards for Internal Control in the Federal Government*.¹⁰ More details about our scope and methodology are included in appendix I.

We conducted this performance audit from April 2014 to March 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Key Participants and Procedures of the BRAC Homeless Assistance Process

The Base Closure Community Redevelopment and Homeless Assistance Act of 1994¹¹ (Redevelopment Act), which amended the BRAC statute, established the homeless assistance process for properties on military bases approved for closure after October 25, 1994.¹² The key participants in the current process include DOD's Office of Economic Adjustment, the military departments, HUD, the LRAs, and the homeless assistance providers. Because DOD and HUD both have significant roles under the BRAC statute, they jointly promulgated the regulations governing BRAC homeless assistance. As a result, DOD and HUD collaborate in providing guidance on the BRAC homeless assistance process.

¹⁰[GAO/AIMD-00-21.3.1](#).

¹¹Pub. L. No. 103-421, 108 Stat. 4346.

¹²The Redevelopment Act significantly revised the homeless assistance process under BRAC, which had previously been governed, with slight modifications, by the Stewart B. McKinney Homeless Assistance Act, Pub. L. No. 100-77 (1987), amended and renamed the McKinney-Vento Homeless Assistance Act in October, 2000 by Pub. L. No. 106-400 (2000). We provide further information on the provisions of the McKinney-Vento Act and differences between the Title V homeless assistance process as it applied to BRAC and the Redevelopment Act in app. II.

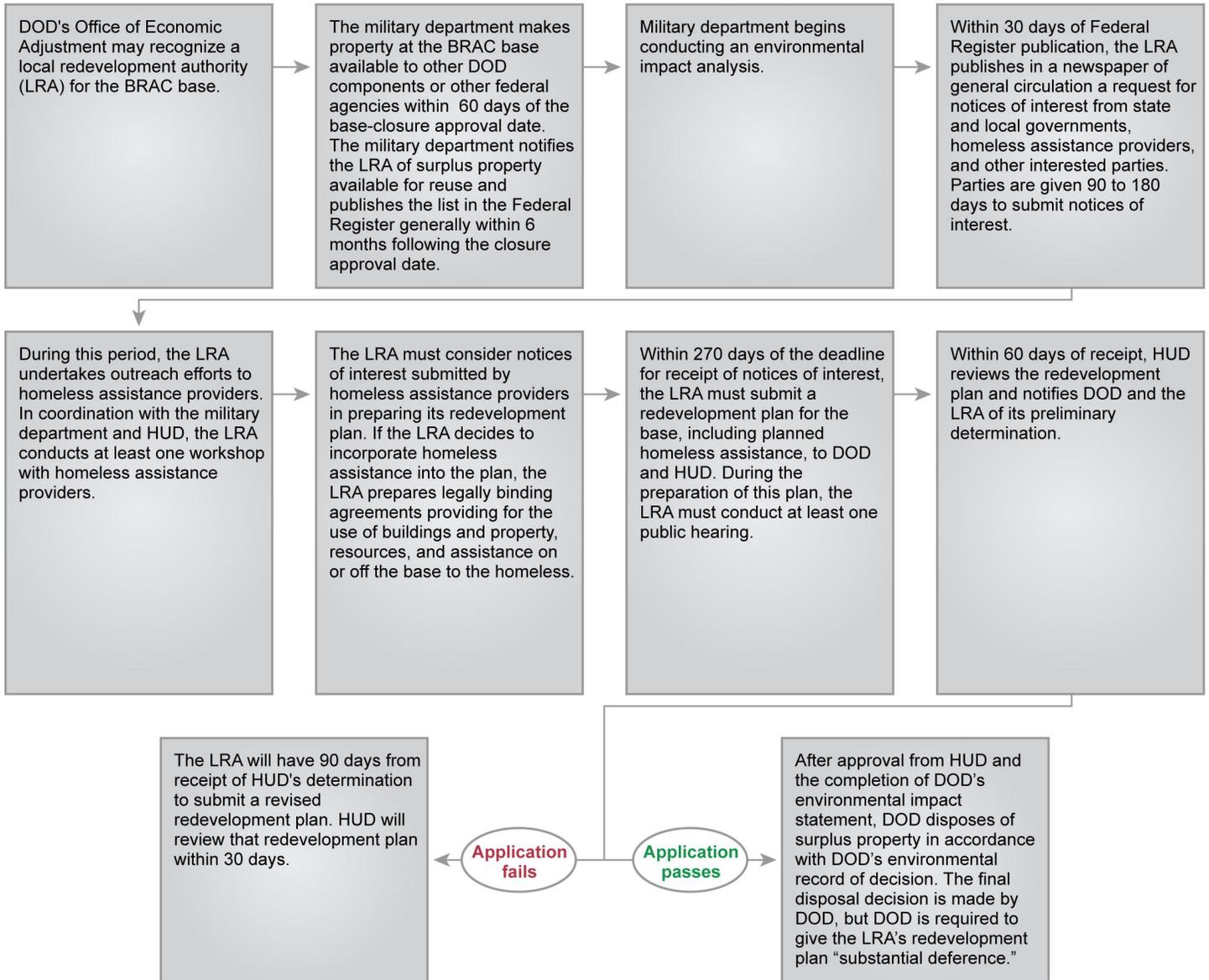
- **DOD Office of Economic Adjustment.** Within DOD, the Office of Economic Adjustment—a field activity under the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics—assists communities by providing technical and financial assistance in planning and carrying out adjustment strategies in response to significant defense actions including base closures. The Office of Economic Adjustment has been delegated authority by the Secretary of Defense to recognize the LRA for each base closed under BRAC. It also provides planning-grant funds to those LRAs for which it determines base closure will cause direct and significant adverse consequences. An Office of Economic Adjustment project manager is to be assigned to each of these bases as a facilitator and catalyst to the community’s planning process.
- **Military Departments.** The Secretary of Defense delegated to the Secretaries of the military departments—Army, Navy, and Air Force—the disposal authority for bases closed under BRAC, including the authority to manage surplus-property disposals such as homeless assistance conveyances. Each military department assigns a project manager to its bases closed under BRAC.
- **HUD.** At HUD headquarters, the Office of Community Planning and Development, Office of Special Needs Assistance Programs, carries out HUD’s BRAC process responsibilities. HUD field offices provide technical assistance to LRAs and homeless assistance providers throughout the planning process. HUD’s role is to review the redevelopment plan and homeless assistance submission that the LRA submits to HUD and DOD. HUD may also negotiate and consult with the LRA before or during its preparation of its plan.
- **LRAs.** The LRA is any authority or instrumentality established by state or local government and recognized by the Secretary of Defense through the Office of Economic Adjustment as the entity responsible for developing the redevelopment plan or for directing implementation of the redevelopment plan. LRAs are required to perform certain steps to allow the community input during its deliberations. The communities in the vicinity of a base are defined by BRAC regulation as the political jurisdiction or jurisdictions, other than the state, that include the LRA for the base.
- **Homeless assistance providers.** Homeless assistance providers, also called “representatives of the homeless,” may include state or local government agencies or private nonprofit organizations that provide or propose to provide assistance to homeless persons and families. Homeless assistance providers seek buildings and properties that may provide supportive services, job and skills training,

employment programs, shelter, transitional housing, permanent housing, food and clothing banks, treatment facilities, or other activities that meet an identified need of the homeless or fill a gap in the local Continuum of Care.¹³

Under the BRAC statute as revised by the Redevelopment Act and its implementing regulations, LRAs are required to accept and consider notices of interest from homeless assistance providers. In this process, the LRA prepares a redevelopment plan after consulting with homeless assistance providers and other community groups affected by the base closure, and HUD assesses the plan to determine whether it appropriately balances the needs of the community for economic and other development with the needs of the homeless. Subsequent to HUD approval and other procedural steps, DOD may transfer properties for homeless assistance purposes. Figure 1 shows the homeless assistance process for BRAC surplus property under the Redevelopment Act.

¹³A Continuum of Care is a community-based process that provides a comprehensive response to the homeless population's different needs. The Continuum of Care assesses homeless assistance needs, inventories resources, identifies gaps, and coordinates public and private resources to fill in the gaps and avoid duplication.

Figure 1: Homeless Assistance Process for Base Realignment and Closure Surplus Property at Bases with Local Redevelopment Authorities



Source: GAO analysis of the Base Realignment and Closure (BRAC) statute and Department of Defense (DOD) and Department of Housing and Urban Development (HUD) information. | GAO-15-274

Pursuant to the BRAC statute as amended by the Redevelopment Act, the military departments are required to determine whether other DOD components or federal agencies have a use for property at the BRAC base, then notify the LRAs of any surplus property available for reuse and publish that information in the Federal Register. The LRA then must advertise the surplus property availability in a newspaper of general circulation within the vicinity of the base. The advertisement must include the period, required to be between 90 and 180 days following the advertisement, during which it will receive notices of interest from homeless assistance providers. The LRA must also conduct outreach with homeless assistance providers, including holding a workshop and tour of the properties. When the LRA completes its outreach process, it has up to 270 days to generate a redevelopment plan and a homeless assistance submission. The LRA must consider the notices of interest and determine which, if any, to support with some combination of buildings, property, or funding. If the LRA decides to support a notice of interest, it develops legally binding agreements to implement no-cost homeless assistance, which may differ substantially from the initial notice. The LRA then submits these agreements as part of the homeless assistance submission to HUD and the military department. If HUD approves the base redevelopment plan, including the homeless assistance submission, it will notify the LRA and the military department. The military department—which during the redevelopment planning conducts an environmental impact analysis of the base prior to disposal—is required to give the redevelopment plan, including the homeless assistance recommendations, substantial deference in making property disposal decisions. Once the military department completes its environmental impact analysis and makes its record of decision, it transfers surplus buildings and properties in accordance with the record of decision, and may transfer properties for homeless assistance either to the LRA or directly to the homeless assistance providers.

Types of Homeless Assistance Available through the BRAC Process

Pursuant to the BRAC statute and its implementing regulations, LRAs may convey to homeless assistance providers on-base property or buildings, off-base property or buildings, or funding in lieu of property. An on-base conveyance may include undeveloped land, buildings to be demolished in order to develop new structures, or entire buildings or space within a building to provide assistance to those experiencing homelessness. Such conveyances must be for no cost. Additionally, the legally binding agreements must include a provision that, if a homeless assistance provider ceases to provide services to the homeless, the property will revert to the LRA. If this were to occur, the LRA must take

appropriate action to secure, to the maximum extent practicable, another qualified homeless assistance provider to use the property to assist the homeless. If the LRA is unable to find a qualified provider to use the property, it will own the property without any further requirement to use the property to assist the homeless.

As part of the planning process, the LRA may propose alternative properties off base or financial assistance if those options would be more compatible with the LRA's proposed redevelopment plan for the base. Off-base properties or buildings may include undeveloped land or excess buildings owned by the local government. Funding may originate from bonds, a percentage of sales from on-base property to private developers, or through the issuance of forgivable loans, among other options. In these cases where the LRA is providing off-base property or funding, the legally binding agreements do not need to include a provision that the conveyance revert to the LRA if a homeless assistance provider ceases to provide services to the homeless.

A Variety of Homeless Assistance Was Provided through BRAC 2005, but DOD and HUD Do Not Require Conveyance Data to Be Tracked after Agreements Are Reached

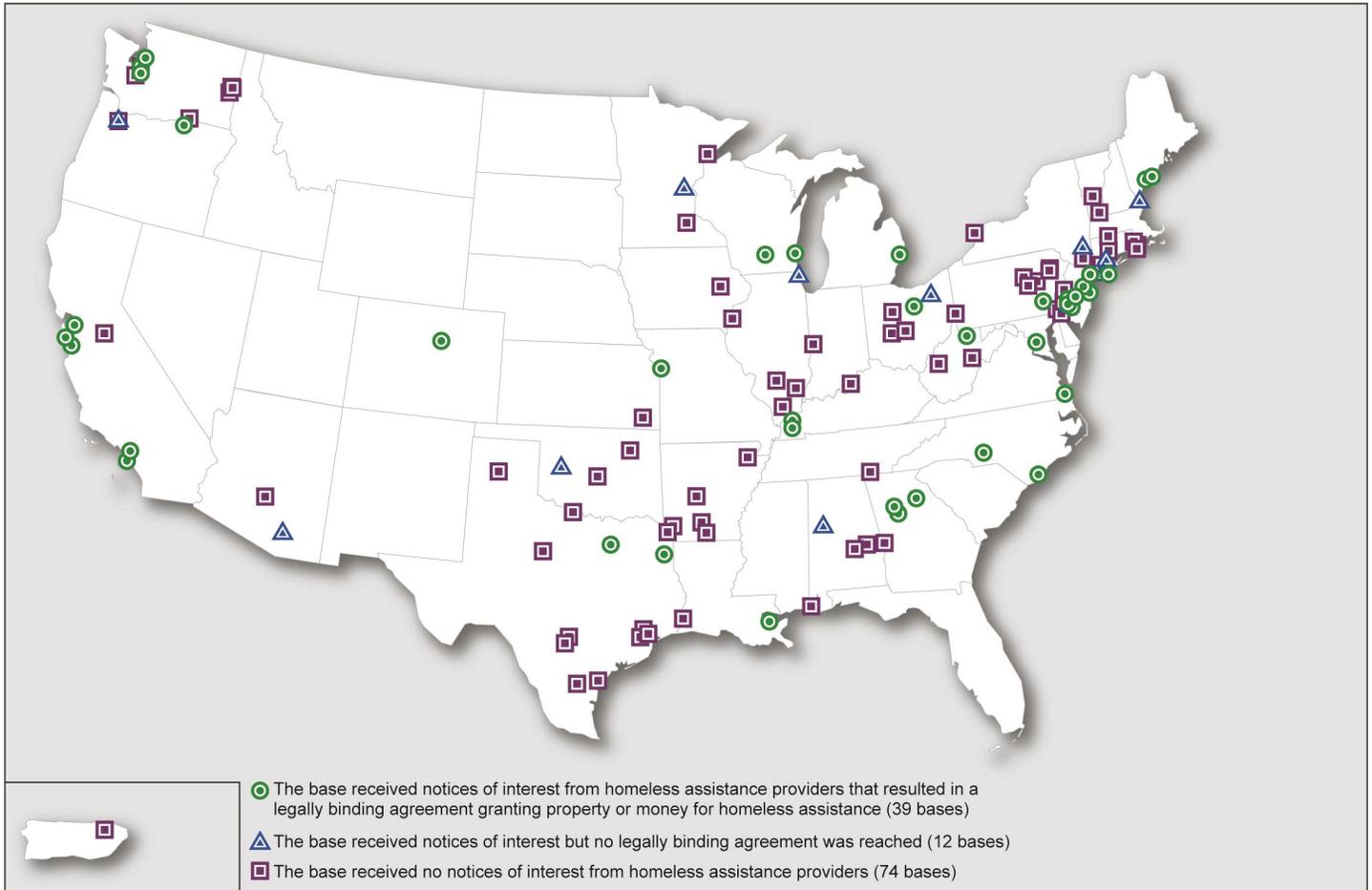
Thirty-nine of the 125 bases closed as a result of BRAC 2005 that had surplus property provided a variety of homeless assistance in response to notices of interest submitted by homeless assistance providers. An additional 12 bases' LRAs received notices of interest that did not result in a legally binding agreement, the reasons for which varied. However, neither HUD nor DOD require that the status of conveyances be tracked after legally binding agreements are reached, which limits the departments' ability to assess the homeless assistance program's effectiveness.

Thirty-Nine Bases' LRAs Agreed to Provide Homeless Assistance to 75 Providers as a Result of BRAC 2005

Of the 125 bases with surplus property closed during BRAC 2005, 39 received notices of interest from homeless assistance providers that were approved for assistance with 75 homeless assistance providers, 12 bases received notices of interest that did not result in any assistance, and 74 bases received no notices of interest.¹⁴ Figure 2 shows the geographic distribution of the properties.

¹⁴We found several reasons why the 74 bases received no notices of interest. Several were located in isolated areas with little or no homelessness. For example, Kansas Army Ammunition Plant in Parsons, Kansas, was located in a rural section of Kansas with no homeless assistance planning board and no Continuum of Care in the vicinity of the base, and it received no interest from homeless assistance providers in BRAC 2005. Others did not have property suitable for homeless assistance. For example, the Orange Navy Reserve Center in Orange, Texas, was located in a flood plain, and homeless assistance providers did not submit notices of interest because the property was not suitable for residential housing use or development by HUD guidelines.

Figure 2: Geographic Distribution of Homeless Assistance Activities at Bases Closed with Surplus Property as a Result of the 2005 Round of Base Realignments and Closures



Source: GAO analysis of DOD data; Map Resources (map). | GAO-15-274

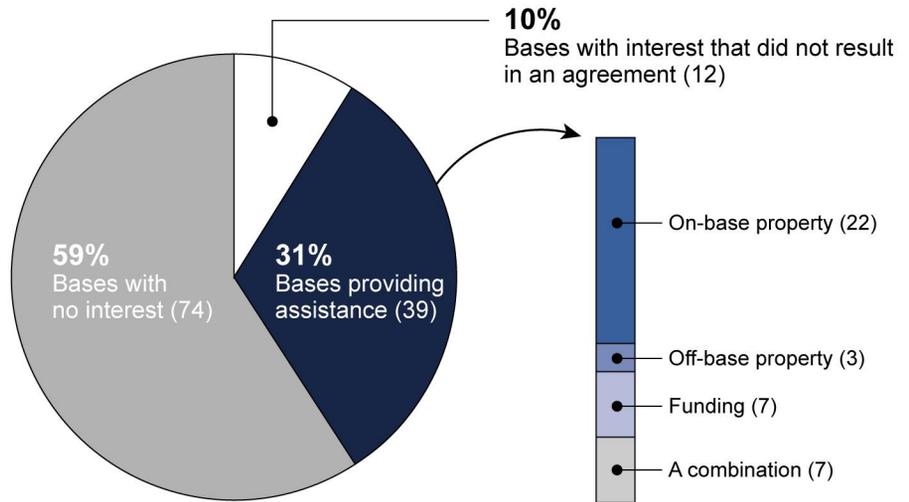
The 39 bases' LRAs that provided assistance did so in a variety of ways, as seen in figure 3, below.

- On-Base Property.** Twenty-two bases' LRAs provided assistance through on-base property conveyances, granting specific existing property to homeless assistance providers. This property included nearly 50 parcels of both vacated military surplus buildings and plots of undeveloped land. For instance, at General Mitchell Air Reserve Station in Milwaukee, Wisconsin, a homeless assistance provider requested a 56,000 square foot warehouse on the base for

emergency food storage and office space. The provider was selected to receive homeless assistance and HUD approved the redevelopment plan in December 2008. The warehouse was conveyed to the provider in July 2010.

- **Off-Base Property.** Three bases' LRAs provided assistance through off-base property conveyances, granting either a specific existing building, a new building to be constructed, or a piece of undeveloped land at a location that was not part of the former base. For example, according to the homeless assistance provider, the LRA at the Schroeder Hall U.S. Army Reserve Center in Long Beach, California, granted a 10-year no-cost lease of off-base property to the provider, with an option to purchase the property for a nominal fee at the conclusion of the lease. The site is located near the former base, and will house a psychiatric clinic for mentally ill people experiencing homelessness.
- **Funding.** Seven bases' LRAs provided assistance through funding. The assistance provided totaled over \$29 million. The amount provided ranged from \$4,000 at Marshall U.S. Army Reserve Center in Marshall, Texas, for providing supportive services and temporary homeless housing assistance to \$9.5 million at Fort McPherson in Atlanta, Georgia, for the construction and operation of 125 units of permanent supportive housing offsite.
- **A combination of different types of assistance.** Seven bases' LRAs provided assistance through a combination of on-base property, off-base property, or funding. For example, the LRA at Truman Olson U.S. Army Reserve Center in Madison, Wisconsin, offered one provider off-base property and two providers funding of up to \$410,000 in forgivable loans.

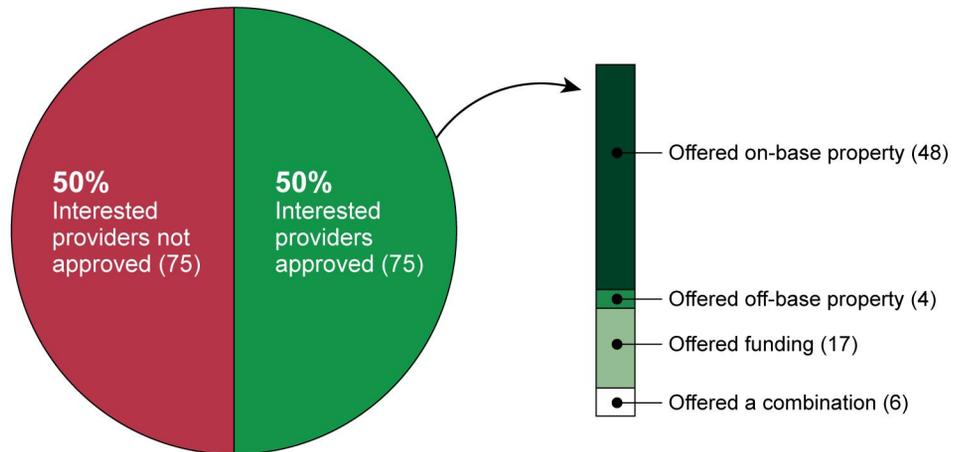
Figure 3: Types of Homeless Assistance Offered by Bases during the Implementation of the 2005 Round of Base Realignments and Closures



Source: GAO analysis of Department of Housing and Urban Development (HUD) data. | GAO-15-274

Notices of interest requesting property in BRAC 2005 were submitted by 150 homeless assistance providers, 75 of whom negotiated a legally binding agreement for assistance. Those that negotiated an agreement were to receive on-base property, off-base property, funding, or a combination, as seen in figure 4.

Figure 4: Types of Homeless Assistance Offered to Providers during the Implementation of the 2005 Round of Base Realignments and Closures



Source: GAO analysis of Department of Housing and Urban Development (HUD) data. | GAO-15-274

According to our analysis of the notices of interest and legally binding agreements, of the 75 providers that negotiated an agreement, 44 providers (59 percent) negotiated legally binding agreements that matched their initial notice of interest, whereas 31 providers (41 percent) negotiated an agreement that differed from their initial notice. For example, a homeless assistance provider submitted a notice of interest requesting one of three specific on-base buildings at Fort Monmouth, New Jersey. The LRA accepted the notice of interest and offered the provider alternative on-base buildings. However, according to the provider, these alternative buildings differed from the three that the provider requested in the notice of interest and were not suitable for the provider’s intended use. The provider was then offered funding in lieu of on-base property, which the provider accepted. Table 1 provides an example of three different types of outcomes that occurred between assistance requested and that to be received by homeless assistance providers.

Table 1: Examples of Assistance Requested and to Be Received by Homeless Assistance Providers

Provider and location	Assistance requested	Assistance to be received	Description
Calvary Refuge Center, Fort Gillem, Forest Park, Georgia	On-base property	Off-base property	Calvary Refuge Center requested a building on-base, but instead the city agreed to construct a new shelter adjacent to Calvary's existing shelter.
Bridge of Compassion, Marshall U.S. Army Reserve Center, Marshall, Texas	On-base property	Funds	Bridge of Compassion requested 3.5 acres of land and three buildings on-base, but the local redevelopment authority (LRA) determined that the request outstripped the need for local homeless assistance. The LRA offered \$2,000 in funding, and the provider accepted.
Hunger Task Force, General Mitchell U.S. Air Reserve Station, Milwaukee, Wisconsin	On-base property	On-base property	Hunger Task Force requested and received a lease for a 56,000- square-foot warehouse for use as a distribution center for the storage of emergency food and for staff office space.

Source: GAO analysis of Department of Housing and Urban Development (HUD) data. | GAO-15-274

Reasons Varied When No Legally Binding Agreement Was Reached

Of the 75 providers that submitted notices of interest for a homeless assistance conveyance but did not ultimately sign a legally binding agreement, we found six common reasons why the notices were not approved. These reasons—identified by the LRAs in the homeless assistance submissions and subsequently summarized by HUD in each base's memorandum of decision—included:

- Organizational Capacity.** Under BRAC regulations, providers are required to submit, among other things, “a description of the financial plan, the organization, and the organizational capacity of the representative of the homeless to carry out the program.”¹⁵ Some providers lacked organizational capacity to carry out their proposed program. For instance, at Cambridge Memorial U.S. Army Reserve Center in Cambridge, Minnesota, a provider submitted a notice of interest seeking to construct 16 on-site housing units. However, the provider stated that it could not afford to begin construction without a large grant from the City of Cambridge. The city was unable to finance such a large grant, so the LRA rejected the provider on the basis that

¹⁵24 C.F.R. § 586.20(c)(2)(ii)(E) and 32 C.F.R. § 176.20(c)(2)(ii)(E).

it lacked the organizational capacity to implement its proposal. HUD concurred with the LRA's determination in the memorandum of decision.

- **Withdrawn by Provider.** The provider may unilaterally withdraw from the process at any time, even after it has been selected by the LRA to receive assistance. For example, at Finnell U.S. Army Reserve Center / Army Maintenance Support Activity 51 in Tuscaloosa, Alabama, a consortium of homeless assistance providers submitted a notice of interest to use the entire on-site property for social services, meeting facilities, and apartment buildings for transitional housing. However, because the LRA offered part of the requested property and the providers were unsure of how they would get funding for the development and ongoing maintenance of that offered property, the consortium told us it withdrew its notice. Instead, the Army stated it is in discussion with the City of Tuscaloosa for potential negotiated sale.
- **Ineligible for Homeless Assistance.** BRAC regulation also requires providers to demonstrate that their proposals describe the uses to which the property will be put, which must involve specific homeless assistance activities or other activities that will “meet an identified need of the homeless.”¹⁶ Not all provider proposals addressed this requirement. For instance, at Schroeder Hall U.S. Army Reserve Center in Long Beach, California, a provider proposed the construction of 100 units of low-income housing. The LRA concluded that the proposal was focused on low-income families rather than people currently experiencing homelessness and rejected the proposal. HUD concurred in the memorandum of decision.
- **Redundancy.** Under BRAC regulations, an LRA must provide an explanation of why it rejected a particular notice of interest and a description of the impact of the proposed homeless assistance program on the community.¹⁷ The most common reason cited by the LRAs was that the group the provider hoped to assist was already being accommodated by other providers in the area, and that further redundancy of services could have a negative effect on the community. For instance, at Fort McPherson in Atlanta, Georgia, a provider submitted a notice of interest proposing the on-base development of 200 units of supportive housing and associated

¹⁶24 C.F.R. § 586.20(c)(2)(ii)(A) and 32 C.F.R. § 176.20(c)(2)(ii)(A).

¹⁷24 C.F.R. § 586.30(b)(2)(ii) and 32 C.F.R. § 176.30(b)(2)(ii).

services. Although both the LRA and HUD determined that the proposal was viable, there were already a number of supportive housing projects being accommodated as part of the redevelopment. To avoid overconcentration of supportive housing in the area of the former base, the LRA rejected the proposal, and HUD concurred.

- **Incomplete Plan.** Providers rejected for incomplete plans either failed to include required information in their notices of interest or failed to respond to HUD or LRA requests to provide this information after the initial notices had been submitted. For instance, at Walter Reed Army Medical Center in Washington, D.C., a provider submitted a notice of interest requesting emergency, transitional, and permanent housing but failed to include required documents. The LRA requested more information, but the provider did not respond and thus the LRA rejected the proposal. HUD concurred in the memorandum of decision.
- **Unsuitable Site.** The LRA may determine that the site selected by the provider would not be fit for the plan proposed. For instance, at Germantown Memorial U.S. Army Reserve Center in Philadelphia, Pennsylvania, a provider proposed renovating several on-site surplus buildings to create 48 units of permanent housing for homeless seniors. The LRA cited several reasons in its rejection of the proposal, including that the provider had proposed housing seniors in the organizational maintenance shop and that the site suffered from hazardous waste contamination, sinkholes, and poor drainage, rendering the former base unfit for human habitation. HUD concurred with the LRA's reasoning.

Table 2 illustrates reasons that providers' notices of interest did not result in legally binding agreements as well as the frequency for each reason.

Table 2: Reasons Why Legally Binding Agreements Were Not Reached during the 2005 Round of Base Realignments and Closures

Summary of reasons cited by the Department of Housing and Urban Development (HUD) for why agreement was not reached	Number of times the reason was cited by HUD
Organizational capacity	29
Withdrawn by provider	27
Ineligible for homeless assistance	26
Redundancy	24
Incomplete plan	17
Unsuitable site	4

Source: GAO analysis of Department of Housing and Urban Development (HUD) data. | GAO-15-274

Note: There were 75 cases in which a legally binding agreement was not reached. In some of those cases, HUD cited more than one reason.

In five cases, providers withdrew their notices of interest but received property, funds, or other assistance from the LRA outside of the BRAC process. For instance, at Waukegan Armed Forces Reserve Center in Waukegan, Illinois, we were told by a homeless assistance provider that it had withdrawn from the process in exchange for 15 units of city property at a different site, to be conveyed by 2015. According to the provider, it signed a memorandum of understanding with the LRA. Because the exchange happened outside of the official BRAC process, HUD did not review the memorandum of understanding or comment on the arrangement. This arrangement allowed the provider to circumvent the HUD review, which, according to the LRA, allowed greater flexibility in the makeup of the plan and also the timing of the property conveyance. However, because this arrangement is not subject to HUD review, the provider may not have legal recourse if the arrangement falls through unless a binding agreement was signed by both parties. HUD officials agreed that these five cases of provider withdrawal would not be recorded as assistance officially provided under the BRAC homeless assistance process, although they added that the existence of the BRAC homeless assistance process is what allowed the providers to negotiate with the LRA.

Neither HUD nor DOD Requires Tracking of the Long-Term Status of Homeless Assistance Conveyances

We found that neither HUD nor DOD requires tracking of the long-term conveyance status of those properties that were awarded through legally binding agreements to determine the effectiveness of the program. Through our analysis of data collected from DOD, LRAs, and homeless assistance providers, we found that as of October 2014, 27 of the 75 providers with legally binding agreements have received their homeless assistance conveyance.

According to a HUD general counsel official, HUD has no oversight over the homeless assistance program after it approves the redevelopment plans. Consequently, HUD does not know whether providers are receiving different assistance than what was approved in the redevelopment plan. For example, HUD approved a legally binding agreement at Fort Monmouth, New Jersey, in which a provider was to receive an emergency shelter on-base, but instead the provider told us it is going to receive a smaller shelter off-base. HUD also does not know whether providers are using the conveyed properties as stated in their plans. For example, a provider we spoke with stated that because the types of homeless assistance grants and funding options have changed since it submitted its notice of interest in 2006, it would have to change the services identified in its original plan to get funding. According to HUD officials, the LRAs have incentives to ensure that the homeless assistance providers adhere to the agreed-upon plans, because the property can revert to the LRA at no cost if the provider does not follow the terms of the legally binding agreement. However, once HUD approves a homeless assistance submission, it has no further contact with that LRA. HUD has no mechanism for recording whether the property was conveyed under the terms approved in the homeless assistance submission, or whether the property was conveyed at all. Moreover, we found instances where a provider that signed a legally binding agreement for a conveyance withdrew from the process before homeless assistance could be provided. For example, we spoke to a provider with an agreement for 39 units of supportive housing that chose to withdraw prior to receiving the property. While the BRAC statute requires LRAs to take actions to try to secure another provider to take over, HUD does not track whether this happens.

Moreover, DOD officials told us they also do not have oversight over the properties after conveyance to homeless assistance providers, adding that, in their view, this does not fall under DOD's responsibilities. According to the officials, the BRAC homeless assistance process was designed for DOD to dispose of the property and then be removed from the process. However, until DOD conveys the property either directly to

the homeless assistance provider or to the LRA to then convey to the providers, DOD officials stated that they might be in the best position to know the status of the conveyances and share that information with HUD. Additionally, DOD's Office of Economic Adjustment and the military services already assign project managers to communicate with and provide advice to LRAs. As part of their duties, DOD officials stated that these project managers could periodically relay information on the closure back to HUD, including the conveyance status of the property.

Neither HUD nor DOD's jointly issued BRAC regulations include specific requirements to track the long-term status of BRAC homeless assistance conveyances. While the BRAC statute does not require that the data be tracked, it also does not prohibit it. However, tracking this information would conform with recommended and accepted government practices. *Standards for Internal Control in the Federal Government* states that managers are responsible for providing reliable, useful, and timely information for transparency and accountability of programs and their operations.¹⁸ In addition, the Title V homeless assistance program tracks long-term conveyance status information. Similar to the BRAC statute, the statute establishing the Title V homeless assistance program also does not require or prohibit the tracking of federal buildings and property given to assist the homeless. However, unlike the BRAC homeless assistance process, under the Title V homeless assistance program the program administrator (Department of Health and Human Services) developed policies and procedures to perform compliance oversight and to ensure that the provider uses the property according to the terms in the approved application, in part because if a provider is not implementing or is unable to implement the program consistent with the approved application, the property title may revert back to the federal government. To accomplish this oversight, providers are required to submit annual utilization reports, and the Department of Health and Human Services is to conduct site visits of the properties at least once every 5 years. Although the Title V program differs from the BRAC program because of the federal

¹⁸[GAO/AIMD-00-21.3.1](#).

government's reversionary interest in homeless assistance property,¹⁹ officials from HUD stated that HUD and DOD could use Title V program oversight as a model, and added that it would be a good idea for HUD and DOD to know whether the property ultimately is used for homeless assistance. HUD officials also stated that the homeless assistance program could be improved if HUD was required to track data over time regarding the status of the conveyances. DOD officials added that the military services track and could share with HUD the status of properties not yet conveyed or directly conveyed from DOD to the homeless assistance provider. However, the DOD officials stated they do not know the status of the properties once conveyed, at which point it would be more efficient for the LRAs to directly report to HUD.

By not requiring the tracking of the status of homeless assistance conveyances, neither HUD or DOD know the effectiveness of the program, to what extent properties are actually being conveyed to the homeless assistance providers, the extent to which the providers are using the properties for their intended use and, in the event of a provider dropping out, the extent to which LRAs are making sufficient efforts to find a replacement provider. Without these data, DOD and HUD lack insight into the effectiveness of the homeless assistance program. In addition, they remain unable to identify additional areas to consider in reviewing redevelopment plans or adjustments that may be needed in processes or procedures in the future should additional BRAC rounds take place.

¹⁹The Title V homeless assistance program administrator grants or leases property directly to homeless assistance providers, and the federal government typically retains a reversionary interest in the property. As a result, the program administrator conducts oversight to ensure that the property is used for homeless assistance, and, if necessary, takes steps to reclaim the property. By contrast, under the BRAC statute, neither HUD nor DOD typically retains such a reversionary interest. Rather, as noted above, the BRAC statute provides that, for on-base property, the LRA must retain a reversionary interest, and, as a result, the LRA is required to seek alternative providers if the initial provider fails to provide homeless assistance.

BRAC Surplus Property Benefited Homeless Assistance Efforts, but Limited Information and Number of Dedicated HUD Resources Hampered the Timeliness and Feasibility of Assistance Provided

The process for conveying BRAC surplus property increased the potential for addressing homelessness in communities. However, we found that insufficient and unclear information added to the length of time it took the various parties to complete the necessary documentation and reviews and jeopardized the overall success of the program by potentially limiting participation in the process or by creating unfulfilled expectations for the program participants. Furthermore, while homeless assistance providers and LRA officials stated that they appreciated the advice they received from HUD headquarters staff, there was a backlog and delays in reviewing redevelopment plans due to the small size of the HUD review team.

Local Providers Cited Benefits of the BRAC Homeless Assistance Process

Homeless assistance providers told us that the BRAC homeless assistance program provided the overall benefit of a no-cost property conveyance or financial assistance to support local homeless assistance efforts, and at 11 of the 12 bases we contacted where homeless assistance providers received assistance, providers shared other perspectives on why they thought the program was beneficial.²⁰ For example, some providers said that the BRAC homeless assistance process elevated awareness of homelessness issues for those making the decisions concerning the conveyance of BRAC surplus property. Other providers said they may not have had access to this type of no-cost conveyance without the BRAC process putting them as a lead contender for the property.

Although some communities worked with homeless assistance providers before the BRAC homeless assistance process began, providers also mentioned that the opportunity for homeless assistance providers to receive property through this process created an additional forum for the community to discuss the needs of the homeless and identify ways to address those needs with the identified surplus property. For example, at

²⁰We were unable to contact homeless assistance providers that submitted notices of interest for Buckley Annex, Colorado.

the Inspector/Instructor Facility at West Trenton Marine Corps Reserve Center, New Jersey, LRA and homeless assistance officials engaged in ongoing negotiations about the future use of the property. LRA officials said they initially rejected the provider's notice of interest, but because of the BRAC homeless assistance process, HUD ultimately awarded the property to the provider. The provider told us that the property is being renovated to provide housing in the main building, as shown in figure 5. The provider also said future renovations will include room to make ancillary services available on site for those experiencing homelessness, such as a diaper bank that will provide diapers, wipes, and other infant supplies and an auto-maintenance job-training facility.

Figure 5: Renovations at the Inspector/Instructor Facility at West Trenton Marine Corps Reserve Center



Source: GAO. | GAO-15-274

We also found examples where homeless assistance providers worked together in consortiums to improve their chances of receiving homeless assistance in the BRAC process. In our analysis of HUD homeless assistance decision documents, we found examples at 17 of 51 bases

where homeless assistance providers formed consortiums to pool their resources to express interest in the property as well as coordinate their service efforts to assist those experiencing homelessness. For instance, at one base we visited, six providers formed a consortium to expedite timelines by having one review schedule and a single representative to coordinate with the LRA. Further, officials told us that the consortium brought together providers with varied expertise in the homeless assistance process, including providers with homeless assistance and property-development experience.

Officials from LRAs and homeless assistance providers also told us that the flexibility of LRAs to offer various types of assistance to homeless assistance providers—the conveyance of on-base property, an alternative off-base site, money in lieu of property, or some combination thereof—allowed for assistance options that might be a better fit than conveyance of the BRAC site in some circumstances, as explained in the following examples.

- *Onizuka Air Force Base, California:* According to an LRA official, two notices of interest were initially rejected because they requested a no-cost property conveyance for not only homeless housing but also affordable housing, which is not allowed under BRAC statute. Those providers whose notices of interest were rejected also told us that because the base was so far from public transportation and other resources, the proposed project might not be eligible for tax credits and other financial assistance needed to complete the project. Rather than awarding on-base property, the LRA stated it sold an alternative property to the providers and awarded them \$8.2 million in local housing funds to assist with land and construction costs. One provider said construction for its portion of the site is under way, as shown in figure 6, and the other provider said it planned to start construction by the end of 2014.

Figure 6: Off-Base Construction near Onizuka Air Force Base



Source: GAO. | GAO-15-274

- *George L. Richey U.S. Army Reserve Center, California:* According to officials from the LRA, one notice of interest was initially rejected because it included a request for a no-cost property conveyance to be used for both affordable and homeless housing. Although the site is close to public transportation, LRA officials said that the site is located in an industrial area, where groceries, clinics, and other social services might not be as accessible to those receiving assistance. Given the center's proximity to the county jail and another law-enforcement office, LRA officials said they provided a public benefit conveyance to the Santa Clara Sherriff's office for use as an emergency- response training and readiness center, as shown in figure 7. In exchange, LRA officials told us that they offered to sell the homeless assistance provider an alternate site and provide a forgivable loan of \$1,590,000, with the caveat that a certain percentage of the planned units be reserved specifically for homeless housing. Officials from the homeless assistance provider and the LRA

told us that as of September 2014, the details of the off-base proposal continue to be negotiated.

Figure 7: Emergency-Response Training and Readiness Center at George L. Richey U.S. Army Reserve Center



Source: GAO. | GAO-15-274

- Fort Gillem, Georgia:* According to an LRA official, two providers combined their proposal for on-base property. The official told us that one provider decided it lacked the capacity to support building a new shelter, and the other provider opted to support the other providers' homeless efforts in lieu of building a new shelter itself. After both groups' interest in the on-base location waned, the official said that the LRA offered an alternative to both providers that would include the transfer of \$900,000 from the eventual sale of Fort Gillem to support building a new, larger shelter adjacent to one provider's existing facility that would be operated jointly by both providers. Providers said they planned to start construction by the end of 2014.

Homeless Assistance Providers and LRAs Said They Did Not Have Sufficient and Clear Information and Guidance about the BRAC Homeless Assistance Process

LRAs and homeless assistance providers we spoke with told us they did not have sufficient and clear information and guidance at several steps in the BRAC homeless assistance process. We found that a lack of sufficient and clear information added to the length of time it took the various parties to complete the necessary documentation to move the process forward and jeopardized the success of the program by limiting participation or by creating unfulfilled expectations for the program participants. According to *Standards for Internal Control in the Federal Government*, information should be communicated in a form and within a time frame that enables personnel to carry out their responsibilities

efficiently.²¹ Specifically, we found limited information in the following four steps of the BRAC homeless assistance process.

- HUD and DOD guidance to the LRAs does not clearly specify what information the LRAs should provide to homeless assistance providers on the condition of the property while conducting workshops and tours to help providers develop their notices of interest.
- HUD and DOD guidance provided to homeless assistance providers is not clear on what information is necessary to include in completing their notices of interest.
- HUD and DOD guidance provided to the LRAs does not provide sufficient detail on what information needs to be included in developing their legally binding agreements.
- HUD and DOD guidance to the LRAs is not clear on the various alternatives available to homeless assistance providers instead of on-base property conveyances.

First, during required workshops and property tours, providers said that LRAs gave limited information to them on the condition of the property. According to homeless assistance providers and LRA officials we interviewed, some BRAC properties were in need of repairs, such as utility upgrades and hazardous-material remediation, to comply with the most recent building codes and to make them appropriate for homeless assistance reuse (see fig. 8). For instance, HUD and DOD regulations require that LRAs must conduct at least one workshop where homeless assistance providers have an opportunity to, among other things, tour the buildings and properties available either on or off the base.²² However, we found that the level of detail and property access that LRAs granted to providers varied. As a result, some providers withdrew from the process after they obtained more information about the condition of the property and determined it was no longer a feasible project. For example, one homeless assistance provider told us she was not allowed to leave the bus during the property tour and was unable to physically inspect the premises prior to submitting a notice of interest. Another told us she was not allowed to inspect the property until after the legally binding agreement was drafted. After identifying the needed repairs, including

²¹[GAO/AIMD-00-21.3.1](#).

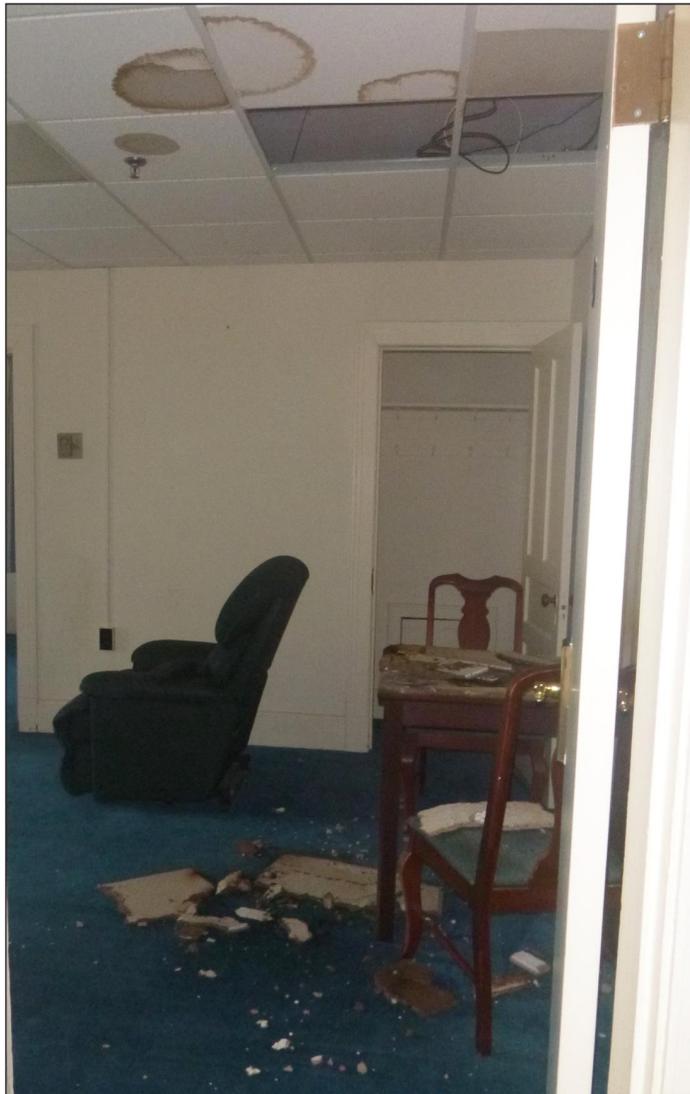
²²24 C.F.R. § 586.20(c)(3)(ii)(B) and 32 C.F.R. § 176.20(c)(3)(ii)(B).

utility updates and addressing Americans with Disabilities Act requirements, the provider said she eventually pulled out of the agreement due to the cost and extent of rehabilitation needed.²³ Some homeless assistance providers we interviewed suggested that details on what and when property condition information will be provided, such as sharing it on a website, might be helpful.

According to DOD officials, the properties may have been inhabited by military personnel during the time of the tours and thus could not be physically inspected. Additionally, the LRAs might not have completed a facilities survey or infrastructure inspection to provide property information by the time the tours for providers were held. However, the DOD officials stated that it was important for the providers to receive additional information about the property condition so that they could make an educated decision regarding submitting a notice of interest or signing a legally binding agreement. Additionally, LRA officials at one base we contacted said it would have been helpful to have known more about the property condition earlier in the process to better evaluate how those details could affect the overall redevelopment plan.

²³The Americans with Disabilities Act, a civil rights law enacted in 1990, prohibited discrimination against disabled individuals and included regulations concerning accessibility of public accommodations, such as width of doorways and the slope of ramps. Pub. L. No. 101-336, 104 Stat. 327 (July 26, 1990).

Figure 8: Example of Property Needing Repairs at Fort Monmouth, New Jersey



Source: GAO. | GAO-15-274

Second, homeless assistance providers said that they did not receive clear information on the full extent of what to include in their notices of interest, which contributed to providers being removed from consideration for BRAC homeless assistance properties as well as LRAs being granted extensions to submit redevelopment plans to HUD. HUD and DOD regulations require that notices of interest describe (1) the proposed

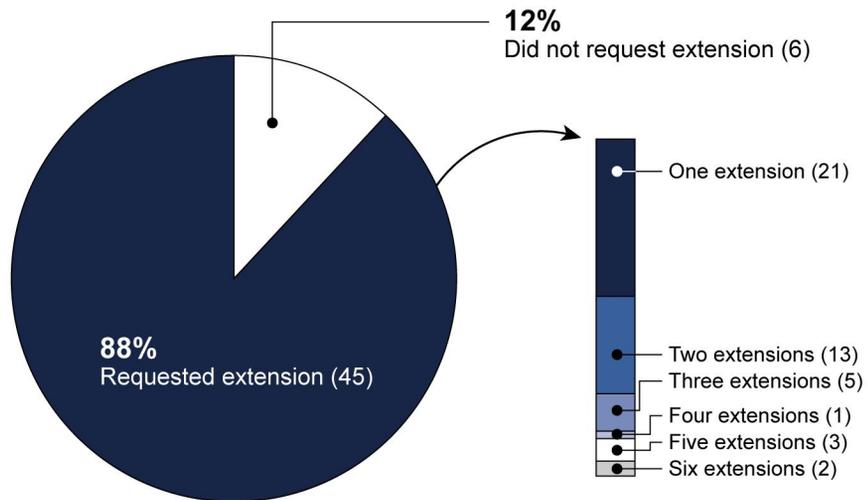
homeless assistance program and supportive services to be provided on the property such as job and skills training, employment programs, shelters, transitional housing, or treatment facilities; (2) the need for the program; (3) the extent to which the program is or will be coordinated with other homeless assistance programs in the communities in the vicinity of the base; (4) information about the physical requirements necessary to carry out the program, including a description of the buildings and property at the base that are necessary to carry out the program; (5) the financial plan, the organization, and the organizational capacity of the homeless assistance provider to carry out the program; and (6) an assessment of the time required to start carrying out the program.²⁴

These regulations on notices of interest notwithstanding, among the 75 providers whose notices of interest were rejected, we identified 17 examples where the LRA and HUD agreed that the notices of interest were incomplete and providers said they needed more shared and specific guidance on what to include. While the regulations provide general information about what should be included, not all participants in the BRAC process were aware of the regulations. For example, a provider that submitted a notice of interest for property at Fort McPherson told us that it did not receive any additional guidance on what to include. Instead, the provider stated that the lack of guidance and familiarity with the regulations led it to look for alternative guidance and found an online example of a notice of interest from another base closure in Philadelphia. Some providers suggested that a template or additional examples of notices of interest would have provided clarity. Other times, HUD officials told us that the LRAs would ask that notices include much more than was required by the regulations, such as a list of all homeless assistance programs conducted and audited financial statements for the previous 5 years, which made it more difficult for providers to submit complete notices of interest. For example, one notice of interest for Walter Reed Army Medical Center lacked information regarding the number of units, the supportive services to be offered, and financing for the project. HUD officials stated that a template on notices of interest might make it easier for providers to know what was required to be included and help prevent confusion concerning LRA requests for additional information that is not required.

²⁴24 C.F.R. § 586.20(c)(2)(ii)(A-F) and 32 C.F.R. § 176.20(c)(2)(ii)(A-F).

LRA officials said they often requested additional time for providers to submit supplementary information to complete the notices of interest. We found that 88 percent of LRAs (45 out of 51) requested extensions from the Office of Economic Adjustment to submit their redevelopment plan to HUD, and some requested multiple extensions (see fig. 9). According to HUD and DOD regulations, LRAs have 270 days after the deadline for receipt of notices of interest to submit their redevelopment plans to HUD. However, the extensions resulted in LRAs taking an average of 654 days to submit their redevelopment plans. HUD officials agreed that these extensions further delayed the HUD review process and conveyance of homeless assistance.

Figure 9: Number of Redevelopment Plan Extensions Requested by Local Redevelopment Authorities (LRA) during the 2005 Round of Base Realignments and Closures



Source: GAO analysis of Department of Housing and Urban Development (HUD) data. | GAO-15-274

Third, we found that HUD guidance and regulations did not provide detailed information to LRAs and homeless assistance providers on the acceptable terms of legally binding agreements. In addition, although BRAC homeless assistance regulations provide a few specific requirements for legally binding agreements, they do not provide detailed guidance on what terms will constitute an acceptable agreement under the process. For example, the regulations require legally binding agreements to include a process for negotiating alternative arrangements for homeless assistance in the event environmental analysis deems the property unsuitable for its intended use, and also require the inclusion of

a reverter clause whereby on-base property that ceases to be used for homeless assistance reverts back to the LRA or other entity.²⁵ However, there is limited other guidance on what terms or types of arrangements are or are not acceptable. For example, there is no standard information on appropriate no-cost conveyance lease terms or time frames for conveyances of the property. While there are general criteria for HUD's review of the redevelopment plans as a whole, a HUD general counsel official stated that, other than a few provisions required by regulation, there are no specific criteria for the review of legally binding agreements, and instead the official uses professional judgment to assess the sufficiency of the agreements.

The limited information and specificity in the regulations contributed to delays in approving redevelopment plans, as a HUD general counsel official stated that the legally binding agreements typically required revisions before she could approve them, and addressing the revisions required additional time. The HUD general counsel official told us that she requested revisions to approximately 80 percent of legally binding agreements received, and in some cases multiple revised drafts were needed prior to HUD approval. Requested revisions included, but were not limited to, requiring more specificity related to

- the proposed property location, such as the building numbers for on-base property;
- the number of individuals and type of population to be served; and
- the type of housing assistance to be provided—that is, permanent, supportive, or transitional.

Some homeless assistance providers we spoke with noted the length of the HUD review of legally binding agreements as contributing to the longer duration of the overall HUD review process. For example, one homeless assistance provider told us that HUD's review and approval of the agreement was the slowest part of the BRAC homeless assistance process. Another homeless assistance provider we interviewed stated that it took 2 years for HUD to approve the legally binding agreement. DOD officials we spoke with suggested that having more standardized

²⁵24 C.F.R. § 586.30(b)(3)(i) and 32 C.F.R. § 176.30(b)(3)(i).

information might help HUD's review process, and they suggested a standard template could be beneficial.

In some cases, the HUD official responsible for reviewing redevelopment plans told us she approved redevelopment plans without signed legally binding agreements. Instead, HUD would accept a consent letter from the homeless assistance providers stating that they reviewed and agreed to the terms of the agreement as written. However, because the legally binding agreements were not signed, HUD officials stated that LRAs could subsequently alter the terms after HUD approval, which could affect the final conveyance and ultimately affect the feasibility of the homeless assistance to be provided. Further, although HUD regulations do not require that the agreements be signed prior to HUD's approval of LRA redevelopment plans, HUD does not have information available, such as through a website, to clarify the implications of unsigned agreements for the parties involved in the process. We found examples of situations in which the LRA changed the terms of the agreements resulting in the provider considering withdrawing from the process or the terms not meeting the provider's expectations about the time frame for the assistance to be provided. For example, one homeless assistance provider told us that it may have to withdraw from accepting a property conveyance because the LRA had changed the terms of the unsigned legally binding agreement from a 49-year lease to a year-to-year lease, and this would have prevented the provider from guaranteeing continuity of homeless assistance operations. Another homeless assistance provider we spoke with stated that the LRA tried to change the terms of the legally binding agreement, which was signed by the provider but not the LRA, and told this provider that it might not receive the homeless assistance conveyance for up to 25 years.

Fourth, although alternatives to conveyances of on-base properties were viewed as a benefit to the process, not all LRAs or homeless assistance providers we spoke with were aware of the permissible alternatives. According to the BRAC statute, conveyances for the assistance of the homeless may be made at no cost, but DOD is required to seek consideration for certain other types of conveyances. For this reason, HUD requires that the proposed use of the property provided under a homeless assistance conveyance be limited to authorized homeless assistance programs, and may only provide minimal or incidental benefit to other groups. Organizations serving other populations—such as persons with disabilities or of low-income—that are not also homeless cannot receive no-cost homeless assistance conveyances. However, some homeless assistance providers we interviewed told us that the best

options to provide homeless assistance often include mixed uses of the property, including options for low-income housing or other revenue-generating efforts that could be used to fund the proposed homeless assistance, in addition to the homeless assistance itself. LRAs may offer homeless assistance conveyances at no cost in conjunction with other types of conveyances that are made at reduced or market cost. This enables homeless assistance providers to develop the property for mixed-use.

Some LRAs we spoke with offered alternatives to accommodate these mixed-use efforts, such as financial assistance or off-base properties, or allowing the sale of property for affordable housing alongside the no-cost homeless assistance conveyance for mixed-use development. For example, an LRA official from the Sergeant J.W. Kilmer U.S. Army Reserve Center in Edison, New Jersey (see fig. 10) stated that the legally binding agreement between the LRA and Monarch Housing Associates provides for the sale of undeveloped land on-base to the homeless assistance collaborative, with 75 percent of the land sold for affordable housing at a cost of \$975,000 and 25 percent of the land provided for free as part of the no-cost homeless assistance conveyance. Additionally, in San Jose, California, the LRA for the George L. Richey U.S. Army Reserve Center offered to sell off-base property to Charities Housing Development Corporation for \$6,750,000, with part of the purchase price as a forgivable loan of \$1,590,000 from the county, to be used for housing for persons experiencing homelessness and of low-income.

Figure 10: A Mixed-Use Development under Construction at Sergeant J.W. Kilmer U.S. Army Reserve Center, Edison, New Jersey



Source: GAO. | GAO-15-274

BRAC regulations require that the LRAs assess the balance of economic redevelopment and other development needs of the communities in the vicinity of the installation with the needs of the homeless in those communities, and explain how their redevelopment plans address that balance.²⁶ In an effort to accommodate this balance, LRAs may choose to offer homeless assistance providers alternatives to conveyances of on-base property, but because the BRAC homeless assistance process is primarily focused on the reuse of surplus federal facilities, LRAs are not required to offer alternatives to on-base property. As a result, not all homeless assistance providers we interviewed were offered these alternatives. For example, one homeless assistance provider told us it would have liked to receive financial assistance or off-base property, but

²⁶24 C.F.R. § 586.30(b)(4) and 32 C.F.R. § 176.30(b)(4).

the LRA did not offer either alternative, and 8 years later the provider is waiting to receive on-base property. Another homeless assistance provider stated that it did not know that financial assistance was an option until later in the process, and that knowledge of financial assistance as a permissible alternative would have assisted in shortening the time frame to receive homeless assistance. At another base, the leader of a coalition of five homeless assistance providers told us that the providers may withdraw from the process because they require a mixed-use option, which the LRA has not offered. Their withdrawal would leave the LRA needing to spend additional time trying to find other providers for property designated for homeless assistance on which, according to a DOD official, the Army has already spent approximately \$1 million in caretaker costs. Furthermore, one LRA we spoke with also was not aware that homeless assistance conveyances could be offered in conjunction with other types of conveyances. Specifically, the LRA told us that it would have been easier to accommodate homeless assistance if the BRAC regulations allowed for sale of property for affordable housing in addition to homeless assistance conveyances.

Based on our review of BRAC homeless assistance regulations, we found that the regulations did not provide detailed information on alternatives to on-base property. Specifically, the regulations do not describe which combinations of money or property or both are acceptable homeless assistance arrangements, although the regulations appear to contemplate that homeless assistance can be provided in a variety of ways, requiring, among other things, “a description of how buildings, property, funding, and/or services on or off the installation will be used to fill some of the gaps in the current continuum of care system.”²⁷ Additionally, there are not sources of publicly available information, such as a website or pamphlet, to disseminate this information.

Without providing clear and sufficient information on the condition of the property to be shared during workshops and tours, required elements for notices of interest, acceptable terms of legally binding agreements, and legal alternatives to on-base property, it will be difficult for LRAs and homeless assistance providers to have the knowledge necessary to make an informed decision about the BRAC homeless assistance process,

²⁷24 C.F.R. § 586.30(b)(3)(ii) and 32 C.F.R. § 176.30(b)(3)(ii).

which, in turn, may negatively affect the time frame and feasibility of the proposed homeless assistance.

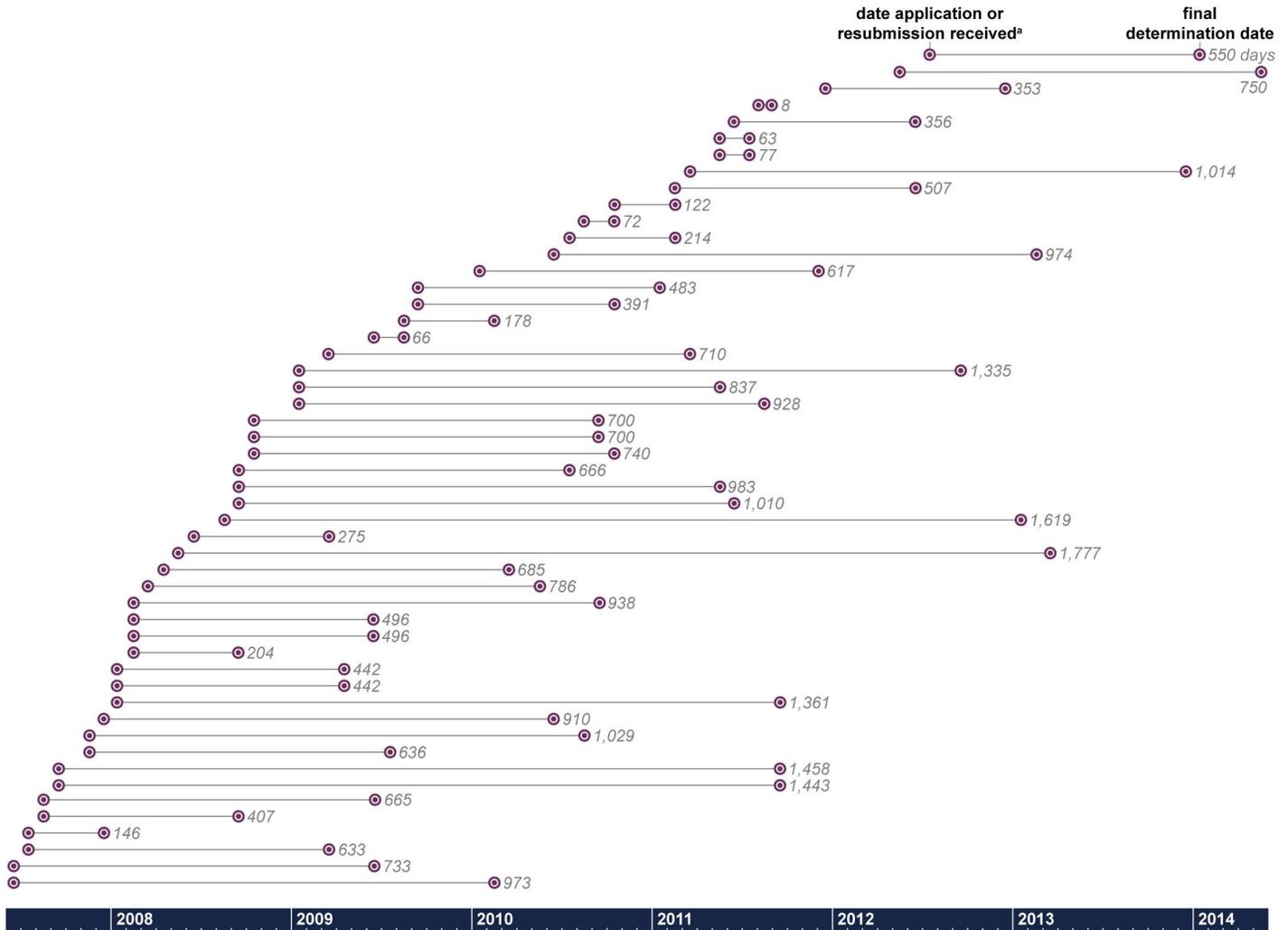
LRA Officials Cited the HUD Headquarters Staff as Helpful, but the Limited Number of HUD Staff Dedicated to the Review of Redevelopment Plans Delayed the BRAC Homeless Assistance Process

LRA officials we interviewed expressed appreciation for advice from HUD staff as they navigated through the BRAC homeless assistance process, but we found that the limited number of HUD staff dedicated to the review of redevelopment plans slowed the process. At many interviews we conducted with LRAs, LRA officials expressed appreciation, with one LRA official stating that she reached out to the HUD headquarters staff multiple times while compiling the redevelopment plan and their assistance was very helpful. The official also noted that HUD field office staff assisted the LRA in identifying where homeless assistance providers were located in the aftermath of a natural disaster. Another LRA official told us that the LRA interacted directly with the HUD headquarters BRAC Coordinator throughout the process and that the coordinator was very willing to help and provided tailored service repeatedly. Another LRA official stated that HUD officials traveled to advise the LRA on the redevelopment process in person.

However, HUD did not have enough resources dedicated to meet the 60-day deadline established in the BRAC statute for reviewing the surge of LRA redevelopment plans, which added to the delay in implementing the BRAC homeless assistance provision.²⁸ During the 2005 BRAC homeless assistance process, it took HUD an average of 666 days, ranging from 8 to 1,777 days, to approve the 51 redevelopment plans that included notices of interest for homeless assistance (see fig. 11).

²⁸HUD must either approve the plan or issue a preliminary determination rejecting the LRA's redevelopment plan within this 60-day timeframe. According to the BRAC statute, when a preliminary adverse determination is issued, the LRA has 90 days to submit a revised plan to HUD, and HUD must review the revised plan not later than 30 days after its receipt. In the 2005 BRAC round, seven redevelopment plans received preliminary adverse determinations. Defense Base Closure and Realignment Act of 1990, Pub. L. No. 101-510, Title XXIX (10 U.S.C. § 2687 note).

Figure 11: Range of Department of Housing and Urban Development Approval Times of Local Redevelopment Authority Redevelopment Plans from Initial Date That the Plan or Resubmission Was Received to Final Determination Date



Source: GAO analysis of Department of Housing and Urban Development (HUD) data. | GAO-15-274

^aNote: In the seven cases in which HUD made a preliminary adverse determination, the first table date reflects the date on which the local redevelopment authority (LRA) resubmitted its plan to HUD.

The BRAC statute required that HUD complete an initial review within 60 days of receipt of the redevelopment plan.²⁹ HUD and DOD regulations

²⁹Defense Base Closure and Realignment Act of 1990, Pub. L. No. 101-510, Title XXIX (10 U.S.C. § 2687 note).

construed this as requiring that HUD complete that review within 60 days after receipt of a completed plan. HUD requested additional information from 45 of 51 plans with interest from homeless assistance providers in order to consider the plans complete. HUD officials stated that this interpretation of the BRAC statute enabled HUD and the LRAs to communicate further about the requirements for the redevelopment plan submission. Fifteen of the 51 redevelopment plans were approved within the statutory deadlines, as construed by HUD and DOD. However, even working from the dates on which HUD considered the LRAs' redevelopment plans complete, or, in the case of plans for which HUD issued a preliminary adverse determination, from the resubmission date, HUD took, on average, 151 days longer than allowed by statute to review the redevelopment plans.³⁰

According to *Standards for Internal Control in the Federal Government*, an agency's organizational structure should provide a framework to achieve agency objectives, including compliance with applicable laws and regulations and the effective and efficient use of agency resources.³¹ However, HUD did not effectively dedicate resources for reviewing the surge of LRA redevelopment plans to meet its 60-day time frame for review of the plans. According to HUD officials, two HUD headquarters staff members were assigned to review 125 LRA redevelopment plans, 51 of which had notices of interest from homeless assistance providers. HUD staff suggested that additional, temporary staff at the headquarters level and increased involvement of field staff could potentially expedite the review times, although they stated additional funding would be required. However, HUD has not fully developed options to address reviewing the surge of plans. Both DOD and HUD officials told us that, for some redevelopment plans, HUD's review time was lengthened because DOD directed HUD to prioritize the review of plans of bases ready to be conveyed. In doing so, HUD delayed the review of plans which other bases' LRAs may have submitted earlier. However, HUD officials added that DOD's prioritization of their review partially contributed to the delays and the underlying source was their insufficient number of dedicated staff resources.

³⁰For the seven preliminary adverse determinations, HUD only had 30 days, rather than 60 days, from the resubmission date to complete its review of the redevelopment plan.

³¹[GAO/AIMD-00-21.3.1](#).

Without sufficient staff resources dedicated to the review of LRA redevelopment plans and homeless assistance submissions, HUD was not typically able to meet the 60-day deadline set forth in the BRAC statute, and the BRAC homeless assistance process was delayed. During interviews, homeless assistance providers, LRA officials, and military officials provided examples to us of how the length of the HUD review contributed to the longer time frame for the process, affected their ability to move forward, or required additional effort to manage. For example, when asked about challenges encountered in the BRAC homeless assistance process, one DOD official responded that the HUD review process took 4 years. A homeless assistance provider stated that it took HUD approximately 3 years to approve the redevelopment plan. An LRA told us that due to delays in the HUD review process, the LRA could not move forward with design guidelines or zoning regulations, which slowed the overall redevelopment process. Another LRA stated that it cost the city \$55,000 in staff and incidental costs while it awaited HUD's review. In addition, since the BRAC homeless assistance process often spanned several years, multiple parties told us they experienced staff turnover and had to reeducate existing staff and brief new staff on the process, which took additional time and effort. Without a means to ensure that sufficient staff resources are dedicated to HUD's review process, it will be difficult for HUD to provide reasonable assurance that the delays experienced during BRAC 2005 will not be repeated in the event of future BRAC rounds, potentially hindering the effectiveness of the homeless assistance process as established and ultimately the redevelopment of the closed base.

Conclusions

BRAC 2005 was the largest and costliest BRAC round in DOD history, and its closure of 125 military bases with surplus property affected the economies of the surrounding communities. While each community faced uncertainty regarding the loss of local business and jobs, the BRAC statute also offered an opportunity for homeless assistance providers to receive no-cost property conveyances and help address local homelessness needs. With 75 providers expected to receive nearly 50 parcels of property and over \$29 million in assistance, the 2005 BRAC homeless assistance program offered benefits. However, HUD and DOD have no requirement to track whether those plans are executed as agreed upon, whether the actual property is conveyed to the homeless assistance providers, whether homeless assistance providers are implementing the program consistent with the approved agreements, or whether the conveyance reverts back to the LRA at no cost if a provider drops out of the agreement. Without a requirement to track the status of

all BRAC homeless assistance conveyances, it will be difficult for HUD and DOD to identify the overall effectiveness of those conveyances on its homeless assistance goals and determine whether program changes are needed to improve the process in any future BRAC round.

The BRAC homeless assistance process provides needed assistance to the homeless population across the nation, but the BRAC regulations state it must be balanced against the redevelopment activities of the community. Delays in redevelopment as the communities consider the homeless assistance program can cost DOD and the LRA wasted financial resources, create unfulfilled expectations for program participants, and ultimately jeopardize the success of the BRAC homeless assistance program by impeding the time frame and feasibility for homeless individuals and families to receive assistance and for the ultimate redevelopment of the closed base. Limited and unclear information from HUD and DOD to homeless assistance providers and LRAs on what should be included in tours of on-base property, notices of interest, and legally binding agreements has contributed to delays in submitting notices and even resulted in withdrawals by homeless assistance providers from the process. Similarly, limited information from HUD and DOD to LRA decision makers on alternatives to on-base property conveyances has contributed to timeline extensions and additional costs to DOD to maintain the properties to be conveyed. Moreover, we found that the surge in HUD's responsibilities when a BRAC round is announced results in resource challenges for the department. Although many LRAs we spoke with agreed that HUD provided expertise and advice on the homeless assistance process, with few dedicated resources HUD did not provide a timely review of homeless assistance submissions and redevelopment plans. Homeless assistance providers benefited from obtaining no-cost property or financial assistance, and awareness of homelessness issues was elevated among local community leaders during the BRAC 2005 round, but the challenges of limited information and dedicated HUD resources emerged that hampered the timeliness and success of the program. As Congress considers whether to authorize another BRAC round, efforts by HUD and DOD to address these challenges would help to minimize delays and improve the effectiveness of the program.

Recommendations for Executive Action

We recommend the following six actions:

To help determine the effectiveness of BRAC homeless assistance conveyances, the Secretaries of Housing and Urban Development and

Defense should update the BRAC homeless assistance regulations to require that conveyance statuses be tracked. These regulatory updates could include requiring DOD to track and share disposal actions with HUD and requiring HUD to track the status following disposal, such as type of assistance received by providers and potential withdrawals by providers.

To assist homeless assistance providers and LRAs in completing the steps of the BRAC homeless assistance process within required time frames, to provide additional information to reduce unfulfilled expectations about the decisions made in executing the homeless assistance agreements, and to promote a greater dissemination of this information, the Secretaries of Housing and Urban Development and Defense, for each of the following four elements, should update the BRAC homeless assistance regulations; establish information-sharing mechanisms, such as a website or informational pamphlets; or develop templates to include

- specific guidance that clearly identifies the information that should be provided to homeless assistance providers during tours of on-base property, such as the condition of the property;
- information for homeless assistance providers to use for preparing their notices of interest;
- guidance for legally binding agreements and clarification on the implications of unsigned agreements; and
- specific information on legal alternatives to providing on-base property, including acceptable alternative options such as financial assistance or off-base property in lieu of on-base property, information about rules of sale for on-base property conveyed to homeless assistance providers, and under what circumstances it is permissible to sell property for affordable housing alongside the no-cost homeless assistance conveyance.

To help improve the timeliness of the HUD review process, the Secretary of Housing Urban Development should develop options to address the use of staff resources dedicated to the reviews of bases during a BRAC round, such as assigning temporary headquarters staff or utilizing current field HUD staff.

Agency Comments and Our Evaluation

We provided a draft of this report to HUD and DOD for review and comment. In written comments, HUD generally concurred with all six of the recommendations, including five that would need to be jointly implemented with DOD, and identified some actions it intends to take to

address them. DOD partially concurred with three of the joint recommendations and did not concur with the remaining two joint recommendations. HUD's and DOD's comments are summarized below and reprinted in their entirety in appendixes III and IV, respectively. HUD and DOD also provided technical comments, which we incorporated as appropriate.

HUD generally concurred and DOD partially concurred with the first recommendation to update the BRAC homeless assistance regulations to require that conveyance statuses be tracked, which could include requiring DOD to track and share disposal actions with HUD and requiring HUD to track the status following disposal. HUD stated that it is willing to update the BRAC homeless assistance regulations to track the conveyances of property for homeless assistance, but noted that it will require DOD agreement to do so because the regulations are joint. In its response, DOD stated that while it concurs in the value of tracking homeless assistance and other conveyances, it can do so without any change to existing regulations. DOD did not identify any actions it will take on how to track the homeless assistance conveyances in the absence of a regulatory update, and also did not indicate that it would work with HUD to update the regulations. Moreover, DOD did not explain how program staff would know to track the conveyance status in the absence of guidance requiring them to do so. As we noted in the report, both departments need to be involved in tracking the conveyance status; DOD is in the best position to know the status of the conveyances prior to the property disposal, and HUD is in the best position to communicate with the LRAs to know the status of the conveyances following property disposal. Also as noted in the report, HUD and DOD officials stated that they saw value in tracking the conveyance statuses. By updating the regulations, both departments can jointly commit to tracking long-term conveyance status information and, in turn, providing timely and useful information about the BRAC homeless assistance program. We continue to believe that updating the BRAC homeless assistance regulations to require the tracking of conveyances of property for homeless assistance will provide HUD and DOD with better insight into the effectiveness of the BRAC homeless assistance program and help identify adjustments that may be needed to improve program processes or procedures to be used in any future BRAC rounds.

HUD generally concurred and DOD partially concurred with the second recommendation to update the BRAC homeless assistance regulations, establish information-sharing mechanisms, or develop templates to include specific guidance that clearly identifies the information that should

be provided to homeless assistance providers during tours of on-base property, such as the condition of the property. HUD stated that it will update its BRAC guidebook, website, and presentations to provide clarifying information for homeless assistance providers regarding what information should be included during tours of on-base property. HUD also noted in its response that this will require DOD and military department agreement to implement and that the provision of information about the condition of on-base property and access to that property is under the purview of the military department. DOD stated that while it already provides generic information about the property, the LRAs and interested homeless assistance providers can undertake facility assessments following the tours. However, DOD did not provide additional detail or explanation about how it would provide information about the condition of the property or access to it.

As we stated in the report, we found that the level of detail and property access that LRAs granted to providers varied. As a result, some providers withdrew from the process after they obtained more information about the condition of the property and determined it was no longer a feasible project. These withdrawals left the LRAs needing to spend additional time trying to find other providers for property designated for homeless assistance and jeopardized the success of the BRAC homeless assistance program by impeding the feasibility of individuals and families experiencing homelessness to receive assistance. We also noted that, while the LRAs might not have completed a facilities survey or infrastructure inspection to provide property information by the time the tours for providers were held, some homeless assistance providers we interviewed suggested that details on when this information would be provided might be helpful. We continue to believe that specific guidance is needed to help ensure that information regarding tours of on-base property—such as property condition or, in the case that the information is not available prior to the tours, details on when information about property condition might be available—is provided to homeless assistance providers, thus helping to ensure they have the knowledge necessary to make an informed decision about the BRAC homeless assistance process, including the time frame and feasibility of the proposed homeless assistance.

HUD generally concurred and DOD did not concur with the third recommendation to update the BRAC homeless assistance regulations, establish information-sharing mechanisms, or develop templates to include information for homeless assistance providers to use in preparing their notices of interest. HUD stated that it will update its BRAC

guidebook, website, and presentations to provide clarifying information for homeless assistance providers to use in preparing their notices of interest. HUD also stated that it considered the current regulations and BRAC guidebook sufficient to inform providers as long as LRAs did not place additional requirements, which may create an undue burden for providers. In its response, DOD stated that the existing regulatory guidance is adequate for providers' expressions of interest, given that these expressions evolve as the redevelopment planning effort proceeds and they learn more about the property—the process of which the second recommendation above is intended to expedite. As we noted in the report, while the regulations relevant to the third recommendation provide general information about what should be included in homeless assistance providers' notices of interest, not all participants in the BRAC process were aware of the regulations, and LRAs sometimes requested additional information that was not required. Homeless assistance providers we interviewed told us that they did not receive clear information on the full extent of what to include in their notices of interest, which contributed to providers being removed from consideration for BRAC homeless assistance properties. Among the 75 providers whose notices of interest were rejected, we identified 17 examples where the LRA and HUD agreed that the notices of interest were incomplete. Providers said they needed more shared and specific information on what to include, and some providers suggested that a template or additional examples of notices of interest would have provided clarity. Additionally, LRA officials told us they often requested additional time to allow providers to complete the notices of interest, contributing to extensions in the process that resulted in LRAs taking an average of 654 days to submit their redevelopment plans—more than twice the 270-day deadline given to LRAs to submit their plans following the end of the period for receipt of notices of interest. Furthermore, nothing in the recommendation requires that regulations be changed if the departments do not wish to do so; rather, at the departments' discretion, we recommended that the departments update the regulations, establish information-sharing mechanisms such as a website or informational pamphlets, or develop templates.

We believe that HUD's proposed action to update its BRAC guidebook, website, and presentations, if implemented, is responsive to the recommendation and can help ensure that homeless assistance providers are able to complete their notices of interest with the required information necessary for consideration, which could assist LRAs in submitting their redevelopment plans on time and ultimately accelerate the BRAC homeless assistance and base redevelopment process. We continue to

believe that DOD should work with HUD to implement the joint recommendation.

HUD concurred and DOD partially concurred with the fourth recommendation to update the BRAC homeless assistance regulations, establish information-sharing mechanisms, or develop templates to include guidance for legally binding agreements and clarification on the implications of unsigned agreements. HUD stated that it will update its BRAC guidebook, website, and presentations to provide clarifying information for homeless assistance providers to use in preparing legally binding agreements and on the implications of unsigned agreements. DOD did not commit to taking any actions to provide this information and instead noted that any action should ensure that a legally binding agreement does not bind DOD to disposal actions it is unable to carry out. Nothing in the recommendation requires DOD to sign an agreement it cannot carry out.

DOD further noted that the purpose of the legally binding agreement is to provide remedies and recourse for the LRA and provider in carrying out an accommodation following property disposal. We agree that legally binding agreements can provide recourse, but we found that some agreements were being approved prior to being signed and that providers did not know that unsigned agreements would limit their recourse in the process. For example, we found that the LRA could subsequently alter unsigned agreements, potentially affecting the final conveyance and ultimately the feasibility of the homeless assistance to be provided. In addition, during the course of our review we found that the limited information and specificity in the regulations contributed to delays in approving base redevelopment plans, as a HUD general counsel official told us that she requested revisions to approximately 80 percent of legally binding agreements received and addressing the revisions required additional time. DOD officials told us that having more standardized information, such as a standard template, could help HUD's review process—consistent with what we are recommending. We believe that HUD's proposed actions to clarify information regarding legally binding agreements and the implications of unsigned agreements, if implemented, are responsive to the recommendation and could help facilitate the timeliness of HUD's review and provide additional awareness for homeless assistance providers regarding the timeliness and feasibility of the proposed homeless assistance. We continue to believe that DOD should take similar actions to provide additional information and help ensure the expeditious redevelopment of bases closed under BRAC.

HUD generally concurred and DOD did not concur with the fifth recommendation to update the BRAC homeless assistance regulations, establish information-sharing mechanisms, or develop templates to include specific information on legal alternatives to providing on-base property, including acceptable alternative options such as financial assistance or off-base property in lieu of on-base property, information about rules of sale for on-base property conveyed to homeless assistance providers, and under what circumstances it is permissible to sell property for affordable housing alongside the no-cost homeless assistance conveyance. HUD stated that it will update its BRAC guidebook, website, and presentations to clarify that the use of off-base property and financial assistance are acceptable alternate means of homeless assistance accommodation in base redevelopment plans and to include examples of alternatives to on-base property that have been approved to date. HUD also stated that this will require DOD and military department agreement to implement.

DOD did not concur with the recommendation. In its response, DOD stated that providers may only be considered through specific expressions of interest in surplus BRAC property, and these suggested alternatives may only be considered within the context of what is legally permissible given the specific circumstances at each installation. Nothing in the recommendation suggests that DOD identify alternatives that are not legally permissible or indicates that all alternatives should be offered in every circumstance; rather, we found that when alternatives were being considered, all parties lacked information about which types of information were legally permissible. While providers may only express interest in surplus BRAC property, we found that LRAs may offer providers alternatives to conveyances of on-base property to better balance economic redevelopment and the needs of the homeless in those communities. The BRAC regulations contemplate that homeless assistance can be provided in a variety of ways, but we found that the regulations did not provide detailed information on alternatives to on-base property and sources of publicly available information, such as a website or pamphlet, to disseminate this information were not available. Further, DOD noted in its response that HUD may provide examples of alternatives to on-base property that have been approved to date as part of a local accommodation to offer examples for LRAs and providers. DOD's suggestion is consistent with HUD's response. We believe that this proposed action—along with HUD's plan to update its BRAC guidance, website, and presentations—may provide LRAs and homeless assistance providers with additional feasible options for homeless assistance through the BRAC process.

Finally, HUD generally concurred with the sixth recommendation to develop options to address the use of staff resources dedicated to the reviews of bases during a BRAC round, such as assigning temporary headquarters staff or utilizing current field HUD staff. HUD stated that it temporarily assigned headquarters staff and utilized field office staff during the 2005 round of BRAC. However, as we noted in our report, HUD's efforts to provide staff resources during the 2005 round of BRAC were insufficient, resulting in HUD typically being unable to meet the 60-day deadline set forth in the BRAC statute and the BRAC homeless assistance process being delayed. HUD also stated that, in the event of another BRAC round the size of 2005, it would encourage Congress to allocate funding for appropriate temporary staff resources to assist the department in meeting important timelines. However, even without dedicated funding, we believe that HUD should consider ways to temporarily reorganize or dedicate additional staff members to meet its 60-day time frame for review of the redevelopment plans. By providing sufficient staff resources, HUD may be able to minimize the delays it experienced during BRAC 2005, ultimately improving the timeliness and effectiveness of future BRAC rounds and expediting base redevelopment.

We are sending copies of this report to the appropriate congressional committees, the Secretary of Defense, and the Secretary of Housing and Urban Development. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-4523 or leporeb@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix V.



Brian J. Lepore
Director, Defense Capabilities and Management

List of Committees

The Honorable John McCain
Chairman
The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Mark Kirk
Chairman
The Honorable Jon Tester
Ranking Member
Subcommittee on Military Construction, Veterans' Affairs,
and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Mac Thornberry
Chairman
The Honorable Adam Smith
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Charles Dent
Chairman
The Honorable Sanford Bishop, Jr.
Ranking Member
Subcommittee on Military Construction, Veterans' Affairs,
and Related Agencies
Committee on Appropriations
House of Representatives

Appendix I: Objectives, Scope, and Methodology

The objectives of our review were to address (1) the types of assistance provided to homeless assistance providers as part of the 2005 base realignment and closure (BRAC) round and the extent to which the Departments of Defense (DOD) and Housing and Urban Development (HUD) track implementation of the agreements reached and (2) any benefits and challenges encountered as DOD, HUD, and the local redevelopment authorities (LRA) addressed provisions for homeless assistance as a result of BRAC 2005.

To define the scope for both objectives, we first identified total bases closed with surplus property and then classified those bases as (1) receiving notices of interest and implementing homeless assistance, (2) receiving notices of interest but not implementing homeless assistance, and (3) not receiving notices of interest. Specifically, to identify the scope of our review of 125 bases closed with surplus property during the 2005 BRAC round, we obtained comprehensive lists of base closures with surplus property from DOD and HUD. We then reconciled the lists and requested follow-up information from each department, as applicable. We also interviewed agency officials at DOD and HUD knowledgeable about the data to help ensure that the lists were complete, and we determined they were complete and sufficient to use for our engagement. To classify the bases into these three categories, two analysts independently reviewed an internal HUD document used to track the BRAC 2005 homeless assistance process. From our review, we identified 39 bases that received notices of interest from homeless assistance providers that were approved to implement homeless assistance, 12 bases that received notices of interest that were not approved for assistance, and 74 bases that did not receive notices of interest. The HUD tracking document identified bases that did and did not implement homeless assistance;¹ however, HUD staff did not formally track the number of bases that received notices of interest but did not result in legally binding agreements. To classify these bases, two analysts reviewed the HUD tracking document for comments that suggested this categorization. From these comments, the two analysts independently identified a set of bases

¹For the purposes of this report, we define “implemented homeless assistance” as either (1) the LRA and homeless assistance provider signing a legally binding agreement or consent letter for homeless assistance that was reviewed by HUD as part of the BRAC process or (2) HUD issuing an adverse decision against the LRA but deciding with the military department that the homeless assistance provider should receive assistance.

that received notices of interest but did not result in legally binding agreements and reconciled them as appropriate.

Additionally, for those bases that the HUD tracking document identified as implementing homeless assistance, we further reviewed the redevelopment plans and HUD approval documents. From these reviews, we found five instances in which the homeless assistance provider withdrew its notice of interest in exchange for homeless assistance from the community outside of the BRAC process. HUD's tracking document identified two of these instances as the base implementing homeless assistance and three of these instances as the base not implementing homeless assistance. Because the homeless assistance providers at these five bases withdrew their notices of interest for assistance and HUD did not review a legally binding agreement between the provider and LRA, we categorized these five instances as bases that received notices of interest but did not implement homeless assistance.

Moreover, we also selected a nonprobability sample of three bases that did not implement homeless assistance to determine whether additional bases received notices of interest that were not identified in the comments in HUD's tracking document. We selected bases that represented a range of size, geography, and military service. Ultimately, from the three bases we selected that did not receive homeless assistance, we did not find any that received notices of interest. While the results of our review of HUD's tracking document, redevelopment plans, and judgmental sample indicated that there are 12 bases that received notices of interest but did not implement homeless assistance, it is possible that more bases received notices of interest but did not ultimately convey property or provide other types of assistance to homeless assistance providers.

To determine the types of assistance provided to homeless assistance providers for those 51 LRAs that received interest from homeless assistance providers, we reviewed the LRAs' homeless assistance submissions as part of their redevelopment plans to HUD and identified and analyzed information. Specifically, we identified and analyzed the number of notices of interest received, the number and types of properties requested by the homeless assistance providers, the number and types of properties agreed to be given from the LRA to the homeless assistance providers, and the number and description of the conveyances of property or money that have occurred. We also analyzed the redevelopment plans to determine reasons why some notices of interest were not approved. To evaluate the extent to which the DOD and HUD

tracked the implementation of the agreements, we interviewed DOD and HUD officials regarding their roles in tracking the assistance provided to homeless assistance providers and compared these roles to criteria for management control activities in *Standards for Internal Control in the Federal Government*.² For the 39 bases with approved conveyances, we collected data as of October 2014 from DOD's military departments, the LRAs, and homeless assistance providers about the types of properties or money conveyed and the status of that conveyance. We also reviewed the tracking requirements for the Title V homeless assistance program to determine whether any applicable comparisons could be made to the tracking requirements for the BRAC homeless assistance program.

To evaluate the benefits and challenges encountered as DOD, HUD, and the LRAs addressed provisions for homeless assistance, we collected documentary and testimonial evidence through a two-part approach. First, we collected data from the redevelopment plans from all 51 LRAs that received interest from homeless assistance providers. Specifically, we identified requests for extensions and completion dates for required process steps, such as the homeless assistance submission to HUD and approval by HUD. We then analyzed these data and compared the actual timelines to the required timelines in the BRAC statute and regulations. Second, to gather in-depth information from a sample of the bases with surplus property closed as a result of BRAC 2005, we conducted semistructured interviews regarding benefits and challenges of the homeless assistance process with the LRAs and homeless assistance providers from 23 closed bases. We attempted to contact all homeless assistance providers affiliated with those base closures; however, we were unable to reach all providers and ultimately contacted 54 providers associated with the 23 base closures.³ We visited 11 of these sites in four locations—Georgia, New Jersey, Pennsylvania, and California—and we contacted 12 of these sites via phone. For those bases we visited, we also interviewed the HUD field office representatives and project managers from the military departments and DOD's Office of Economic Adjustment—DOD's primary organization providing assistance to

²GAO, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington D.C.: November 1999).

³We spoke with 51 unique homeless assistance providers. However, 3 providers submitted notices of interest to 2 bases each, for a total of 54 providers associated with the 23 base closures.

communities affected by BRAC. We selected bases to reflect a range of factors including the number of homeless notices of interest received, base size, geographical representation, types of homeless assistance conveyance provided, and to include representation from each military service. Ultimately, we contacted 12 bases that received notices of interest and implemented homeless assistance, 9 bases that received notices of interest and did not implement homeless assistance, and 2 bases that did not receive notices of interest. These interviews provide examples of benefits and challenges faced by each individual party, but information obtained is not generalizable to all parties involved in the homeless assistance process. Further, we compared information about the challenges cited with criteria for information and communications in *Standards for Internal Control in the Federal Government*.⁴ See table 3 for a summary of bases and number of associated homeless assistance providers we contacted.

Table 3: Bases and Number of Providers Contacted

Bases	Number of homeless assistance providers contacted
Bases that received notices of interest and implemented homeless assistance	
Buckley Annex, Colorado	0
Concord Naval Weapons Station, California	14
Fort Gillem, Georgia	3
Fort McPherson, Georgia	5
Fort Monmouth, New Jersey	12
Inspector-Instructor West Trenton Facility, New Jersey	1
Naval Air Station–Joint Reserve Base Willow Grove, Pennsylvania	2
Naval Support Activity New Orleans–East Bank, Louisiana	1
Onizuka Air Force Station, California	3
Private George L. Richey U.S. Army Reserve Center, California	1
Specialist First Class Nelson V. Brittin U.S. Army Reserve Center, New Jersey	1
Sergeant J.W. Kilmer U.S. Army Reserve Center / Army Maintenance Support Activity 21, New Jersey	1
Bases that received notices of interest and did not implement homeless assistance	
Allen Hall U.S. Army Reserve Center, Arizona	0
Brigadier General Theodore Roosevelt Jr. U.S. Army Reserve Center, New York	1

⁴[GAO/AIMD-00-21.3.1.](#)

Appendix I: Objectives, Scope, and Methodology

Bases	Number of homeless assistance providers contacted
Cambridge Memorial U.S. Army Reserve Center, Minnesota	2
Finnell U.S. Army Reserve Center / Army Maintenance Support Activity 51, Alabama	1
Germantown Veterans Memorial U.S. Army Reserve Center, Pennsylvania	2
Navy Marine Corps Reserve Center Akron, Ohio	1
Paul A. Doble U.S. Army Reserve Center, New Hampshire	1
Sergeant George D. Libby U.S. Army Reserve Center, Connecticut	1
Waukegan Armed Forces Reserve Center, Illinois	1
Bases that did not receive notices of interest	
Orange Naval Reserve Center, Texas	Not applicable
Watts-Guillot U.S. Army Reserve Center, Texas	Not applicable

Source: GAO. | GAO-15-274

Notes: There may be more homeless assistance providers affiliated with each base closure. However, table 3 identifies only those we contacted.

For the purposes of this report, we define “implemented homeless assistance” as either (1) the local redevelopment authority (LRA) and homeless assistance provider signing a legally binding agreement or consent letter for homeless assistance that was reviewed by the Department of Housing and Urban Development (HUD) as part of the base realignment and closure (BRAC) process or (2) HUD issuing an adverse decision against the LRA but deciding with the military department that the homeless assistance provider should receive assistance. For those bases that received notices of interest and did not implement homeless assistance, there were five instances in which the homeless assistance provider withdrew its notice of interest in exchange for homeless assistance from the community outside of the BRAC process.

In order to assess the reliability of the data presented in this report, we corroborated the data in HUD’s tracking document with the data in the LRAs’ redevelopment plans and interviewed knowledgeable agency officials at HUD regarding data reliability, including any limitations of HUD’s data related to its completeness and accuracy. After assessing the data, we determined that the data were sufficiently reliable for the purposes of determining the types of assistance provided to homeless assistance providers and the challenges encountered in addressing the homeless assistance provisions, and we discuss our findings in the report.

We conducted this performance audit from April 2014 to March 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that

the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Comparison of Title V and Redevelopment Act Homeless Assistance Processes

Since the Defense Base Closure and Realignment (BRAC) Act of 1990 was enacted, there have been two distinct authorities governing the homeless assistance process on military bases closed under BRAC. From the enactment of the BRAC statute in 1990 until October 1994, Title V of the McKinney-Vento Homeless Assistance Act¹—which allows certain excess, surplus, unutilized, and underutilized federal property to be used to provide assistance to the homeless—applied with slight modifications to BRAC closures. For properties on military bases approved for closure after October 25, 1994, amendments to the BRAC statute made in the Base Closure Community Redevelopment and Homeless Assistance Act of 1994² (Redevelopment Act) govern the homeless assistance process. The Redevelopment Act aimed to revise and improve the process for disposing of buildings and property at bases closed under BRAC. According to the Department of Housing and Urban Development (HUD), many individuals involved in military base reuse at the time had concluded that Title V did not adequately address the multiple interests related to large parcels of surplus federal properties such as military bases.

Title V of the McKinney-Vento Homeless Assistance Act designated the General Services Administration, Department of Health and Human Services, and HUD to administer the homeless assistance program, with the General Services Administration delegating its property disposal authority to the Department of Defense (DOD) for bases closed under BRAC. Under the Title V homeless assistance program, DOD was required to submit a description of its vacant base-closure properties to HUD. HUD would then determine whether any property was suitable for use to assist the homeless. HUD would publish its determination in the Federal Register, at which time qualified homeless assistance providers could apply for and receive the requested property. Following transfer of the property to the homeless assistance provider, the Department of Health and Human Services was to perform compliance oversight and ensure that the grantee was using the property according to the terms in the approved application.

¹Pub. L. No. 100-77 (1987). The Stewart B. McKinney Homeless Assistance Act, enacted in 1987, was renamed the McKinney-Vento Homeless Assistance Act in October 2000 by Pub. L. No. 106-400 (2000). For the purposes of this report, we will refer to this program as it applied to the BRAC process as the Title V homeless assistance program.

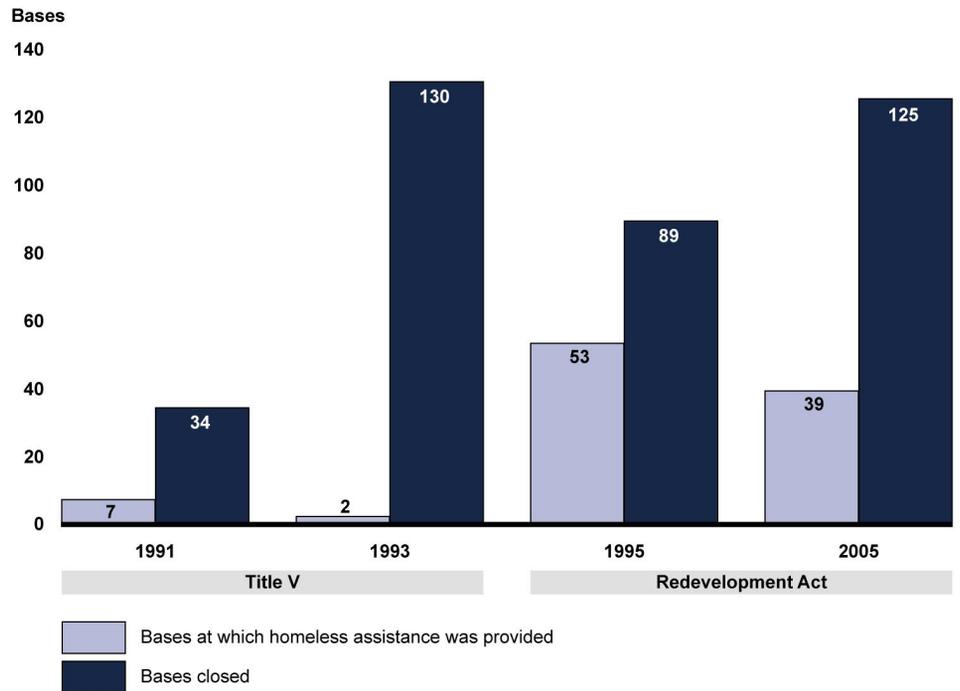
²Pub. L. No. 103-421, 108 Stat. 4346.

In contrast to the Title V homeless assistance program, the BRAC statute as amended by the Redevelopment Act is overseen by HUD and DOD. In general, the Redevelopment Act replaced the Title V homeless assistance program with a community-based process, in which the local redevelopment authority (LRA) prepares a redevelopment plan after consulting with homeless assistance providers and other community groups affected by the base closure, and HUD ensures that the plan appropriately balances the needs of the community for economic and other development with the needs of the homeless. Subsequent to HUD approval and other procedural steps, DOD may transfer properties for homeless assistance purposes.

The number of bases at which property or funding for homeless assistance were provided has varied for each round of base closures, as seen in figure 12. Under the earlier BRAC rounds, which were governed by the Title V homeless assistance program, properties at nine bases were transferred to homeless assistance providers, including properties at seven bases in the 1991 BRAC round and at two bases in the 1993 BRAC round. Under the Redevelopment Act homeless assistance program, properties were transferred or offers of financial assistance were made to homeless assistance providers at 92 bases, including at 53 bases in the 1995 BRAC round and at 39 bases in the 2005 BRAC round.

**Appendix II: Comparison of Title V
and Redevelopment Act Homeless Assistance
Processes**

Figure 12: Bases at Which Homeless Assistance Was Provided for Defense Base Closure and Realignment Act Closures in 1991, 1993, 1995, and 2005



Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (Redevelopment Act)

Source: GAO analysis of Department of Defense (DOD), Department of Health and Human Services, and Department of Housing and Urban Development (HUD) data. | GAO-15-274

Appendix III: Comments from the Department of Housing and Urban Development



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

March 4, 2015

Mr. Brian Lepore
Director
Defense Capabilities and Management
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Lepore:

Thank you for your letter of January 29, 2015, requesting HUD review and comment on the proposed report *Military Base Realignments and Closures [BRAC]: Process for Reusing Property for Homeless Assistance Needs Improvements* (GAO 15-274). HUD appreciates the thoroughness of the analysis and professionalism of Government Accounting Office staff in preparing this report. The report proposed six recommendations to improve the BRAC process, with which HUD generally concurs. Below are HUD's comments on each recommendation:

“To help determine the effectiveness of BRAC homeless assistance conveyances, the Secretaries of Housing and Urban Development and [the Department of] Defense [DoD] should update the BRAC homeless assistance regulations to require that conveyance status be tracked. These regulatory updates could include requiring DoD to track and share disposal actions with HUD and require HUD to track the status following disposal, such as the type of assistance received by providers and potential withdrawals by providers.”

HUD Response: HUD generally concurs but notes that the BRAC regulations which effect the transfer of base property for homeless assistance use are jointly issued by HUD at 24 CFR 586 and DoD at 32 CFR 176. Therefore, though HUD is willing to update 24 CFR 586 to track the conveyances of property for homeless assistance, DoD must also agree to update its regulation at 32 CFR 176.

“To assist homeless assistance providers and Local Redevelopment Authorities (LRAs) in completing the steps of the BRAC homeless assistance process within required time frames, to provide additional information to reduce unfulfilled expectations about the decisions made in executing the homeless assistance agreements, and to promote a greater dissemination of this information, the Secretaries of Housing and Urban Development and Defense, for each of the following four elements, should update the BRAC homeless assistance regulations; establish information-sharing mechanisms, such as a website or informational pamphlets; or develop templates to include

- **specific guidance that clearly identifies the information that should be provided to homeless assistance providers during tours of on-base property, such as the condition of the property;”**

www.hud.gov

espanol.hud.gov

HUD Response: HUD generally concurs and will update the HUD BRAC Guidebook, HUD BRAC website, and BRAC presentations to provide clarifying information for homeless assistance providers regarding what information should be included during tours of on-base property. HUD notes this will require DoD and military department agreement to implement and that the actual provision of information regarding the condition of on-base property and access to that property is under the purview of the military department.

- **“information for homeless assistance providers to use for preparing their notices of interest;”**

HUD Response: HUD generally concurs and will update the HUD BRAC Guidebook, HUD BRAC website, and BRAC presentations to provide clarifying information for homeless assistance providers to use in preparing their notices of interest (NOIs). However, HUD considers the information, contained in the current regulations at 24 CFR 586.20(2) and Page 9 of the HUD BRAC Guidebook, sufficient for providers to prepare their NOIs as long as local redevelopment authorities do not place additional requirements which might create an undue burden for providers.

- **“guidance for legally binding agreements and clarification on the implications of unsigned agreements;”**

HUD Response: HUD concurs and will update the HUD BRAC Guidebook, HUD BRAC website, and BRAC presentations to provide clarifying information for homeless assistance providers to use in preparing legally binding agreements and include the implications of unsigned agreements.

- **“specific information on legal alternatives to providing on-base property, including acceptable alternative options such as financial assistance or off-base property in lieu of on-base property, information about rules of sale for on-base property conveyed to homeless providers, and under what circumstances it is permissible to sell property for affordable housing alongside the no-cost homeless assistance conveyance.”**

HUD Response: HUD generally concurs and will update the HUD BRAC Guidebook, HUD BRAC website, and BRAC presentations to clarify that the use of off-base property and financial assistance are acceptable alternate means of homeless assistance accommodation in base reuse plans, to include examples of alternatives to on-base property that have been approved to date. HUD notes that this will require DoD and military department agreement to implement.

“To help improve timeliness of the HUD review process, the Secretary of Housing and Urban Development should develop options to address the use of staff resources dedicated to the reviews of bases during a BRAC round, such as assigning temporary headquarters staff or utilizing current field HUD staff.”

HUD Response: HUD temporarily assigned Headquarters staff and utilized field office staff during the 2005 round of BRAC. However, staff resources are already overextended in the Office of Special Needs Assistance Programs and in its field offices for Community Planning and Development. In the event of another BRAC round the size of 2005, HUD would encourage Congress to allocate funding for appropriate temporary staff resources to assist the Department in meeting important timelines.

Thank you for the opportunity to comment on the report. If you have further questions, please contact Linda Charest, BRAC Coordinator at Linda.R.Charest@hud.gov.

Sincerely,



Ann Marie Oliva
Deputy Assistant Secretary
for Special Needs

Appendix IV: Comments from the Department of Defense



ENERGY,
INSTALLATIONS
AND ENVIRONMENT

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

3400 DEFENSE PENTAGON
WASHINGTON, DC 20301-3400

MAR 2 2015

Mr. Brian Lepore
Director, Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Mr. Lepore:

This is the Department of Defense (DoD) response to GAO Draft Report 15-274 "MILITARY BASE REALIGNMENT AND CLOSURES: Process for Reusing Property for Homeless Assistance Needs Improvements," dated January 29, 2015 (Code 351920).

We appreciate the opportunity to comment on the draft report. Detailed comments on the report recommendations are enclosed. Should you have any questions, please contact Mr. Bryant Monroe at 703-697-2105 or bryant.j.monroe.civ@mail.mil.

Sincerely,

A handwritten signature in black ink that reads "John Conger".

John Conger

Performing the Duties of the Assistant Secretary of Defense
(Energy, Installations and Environment)

Enclosure:
As stated

GAO Draft Report Dated January 29, 2015
GAO-15-274 (GAO CODE 351920)

“MILITARY BASE REALIGNMENTS AND CLOSURES: PROCESS FOR REUSING
PROPERTY FOR HOMELESS ASSISTANCE NEEDS IMPROVEMENTS”

DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATIONS

RECOMMENDATION 1: The Secretaries of Housing and Urban Development and Defense should update the BRAC homeless assistance regulations to require that conveyance statuses be tracked, possibly requiring DoD to track and share disposal actions with HUD, and requiring HUD to track the status following disposal, such as type of assistance received by providers and potential withdrawals by providers.

DoD RESPONSE: Partially Concur. While the Department concurs in the value of tracking homeless assistance and other conveyances, it can do so without any change to existing regulations. Additionally, any such reporting must allow DoD to generically report on the respective methods of disposal for local redevelopment and the respective acreage for each, and because local accommodations vary considerably DoD must be able to exclude property to the extent the information may not be helpful to HUD.

RECOMMENDATION 2: The Secretaries of Housing and Urban Development and Defense, for each of the following four elements, should update the BRAC homeless assistance regulations; establish information-sharing mechanisms, such as a website or informational pamphlets; or develop templates to include:

1. Specific guidance that clearly identifies the information that should be provided to homeless assistance providers during tours of on-base property, such as the condition of the property.

DoD RESPONSE: Partially Concur. Beyond generic information (current use, etc.) that is already prescribed, the Local Redevelopment Authority (LRA) and interested providers undertake facility assessments as part of the redevelopment planning process following these tours to inform provider and LRA investment needs (what will be necessary to bring the building to code for civilian occupancy) and final land use/accommodation decisions.

2. Information for homeless assistance providers to use for preparing their notices of interest.

DoD RESPONSE: Non-Concur. Existing regulatory guidance is adequate for providers' expressions of interest, noting these expressions evolve as the redevelopment planning effort proceeds and all interests learn more about the property.

3. Guidance for legally binding agreements and clarification on the implications of unsigned agreements.

DoD RESPONSE: Partially Concur. Ensure any legally binding agreement does not bind the Department to disposal actions it is unable to carry out, noting the agreement is to provide remedies and recourse for the LRA and provider in carrying out an accommodation following property disposal.

4. Specific information on legal alternatives to providing on-base property, including acceptable alternative options such as financial assistance or off-base property in lieu of on-base property, information about of sale for on-base property conveyed to homeless providers, and under what circumstances it is permissible to sell property for affordable housing alongside the no-cost homeless assistance conveyance.

DoD RESPONSE: Non-Concur. Providers may only be considered through specific expressions of interest in surplus BRAC property. These suggested alternatives may only be considered within the context of what is legally permissible given the specific circumstances found at each installation. Alternatively, HUD may provide examples of alternatives to on-base property that have been approved to date as part of a local accommodation to offer examples for LRAs and providers to consider.

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

Brian J. Lepore, (202) 512-4523 or leporeb@gao.gov

Staff Acknowledgments

In addition to the contact named above, Laura Durland (Assistant Director), Emily Biskup, Grace Coleman, Chris Cronin, Lorraine Ettaro, Erica Miles, Silvia Porres, Jodie Sandel, Amie Steele, Erik Wilkins-McKee, and Michael Willems made key contributions to this report.

Appendix VI: Accessible Data

Data for Figure 1: Homeless Assistance Process for Base Realignment and Closure Surplus Property at Bases with Local Redevelopment Authorities

- 1) DOD's Office of Economic Adjustment may recognize a local redevelopment authority (LRA) for the BRAC base.
- 2) The military department makes property at the BRAC base available to other DOD components or other federal agencies within 60 days of the base-closure approval date. The military department notifies the LRA of surplus property available for reuse and publishes the list in the Federal Register generally within 6 months following the closure approval date.
- 3) Military department begins conducting an environmental impact analysis.
- 4) Within 30 days of Federal Register publication, the LRA publishes in a newspaper of general circulation a request for notices of interest from state and local governments, homeless assistance providers, and other interested parties. Parties are given 90 to 180 days to submit notices of interest.
- 5) During this period, the LRA undertakes outreach efforts to homeless assistance providers. In coordination with the military department and HUD, the LRA conducts at least one workshop with homeless assistance providers.
- 6) The LRA must consider notices of interest submitted by homeless assistance providers in preparing its redevelopment plan. If the LRA decides to incorporate homeless assistance into the plan, the LRA prepares legally binding agreements providing for the use of buildings and property, resources, and assistance on or off the base to the homeless.
- 7) Within 270 days of the deadline for receipt of notices of interest, the LRA must submit a redevelopment plan for the base, including planned homeless assistance, to DOD and HUD. During the preparation of this plan, the LRA must conduct at least one public hearing.
- 8) Within 60 days of receipt, HUD reviews the redevelopment plan and notifies DOD and the LRA of its preliminary determination.
 - a) If Application fails

b) The LRA will have 90 days from receipt of HUD's determination to submit a revised redevelopment plan. HUD will review that redevelopment plan within 30 days.

9) Application Passes

a) After approval from HUD and the completion of DOD's environmental impact statement, DOD disposes of surplus property in accordance with DOD's environmental record of decision. The final disposal decision is made by DOD, but DOD is required to give the LRA's redevelopment plan "substantial deference."

Data Table For Figure 3: Types of Homeless Assistance Offered by Bases during the Implementation of the 2005 Round of Base Realignments and Closures

Type of assistance offered by base	Percentage
Bases with no interest	59%
Bases providing assistance	31%
Bases with interest that did not result in an agreement	10%

Data Table For Figure 4: Types of Homeless Assistance Offered to Providers during the Implementation of the 2005 Round of Base Realignments and Closures

Approved or Not Approved	Percentage
Interested providers not approved	50%
Interested providers approved	50%

Data Table For Figure 9: Number of Redevelopment Plan Extensions Requested by Local Redevelopment Authorities (LRA) during the 2005 Round of Base Realignments and Closures

Extension requested or not requested	Percentage
Requested extension	80%
Did not request extension	12%

Data Table For Figure 12: Bases at Which Homeless Assistance Was Provided for Defense Base Closure and Realignment Act Closures in 1991, 1993, 1995, and 2005

Program	Year	Bases at which homeless assistance was provided	Bases Closed
Title V	1991	7	34
	1993	2	130
Redevelopment Act	1995	53	89
	2005	39	125

Related GAO Products

Federal Real Property: More Useful Information to Providers Could Improve the Homeless Assistance Program. [GAO-14-739](#). Washington, D.C.: September 30, 2014.

DOD Joint Bases: Implementation Challenges Demonstrate Need to Reevaluate the Program. [GAO-14-577](#). Washington, D.C.: September 19, 2014.

Defense Infrastructure: Communities Need Additional Guidance and Information to Improve Their Ability to Adjust to DOD Installation Closure or Growth. [GAO-13-436](#). Washington, D.C.: May 14, 2013.

Military Bases: Opportunities Exist to Improve Future Base Realignment and Closure Rounds. [GAO-13-149](#). Washington, D.C.: March 7, 2013.

DOD Joint Bases: Management Improvements Needed to Achieve Greater Efficiencies. [GAO-13-134](#). Washington, D.C.: November 15, 2012.

Military Base Realignments and Closures: The National Geospatial-Intelligence Agency's Technology Center Construction Project. [GAO-12-770R](#). Washington, D.C.: June 29, 2012.

Military Base Realignments and Closures: Updated Costs and Savings Estimates from BRAC 2005. [GAO-12-709R](#). Washington, D.C.: June 29, 2012.

Veteran Homelessness: VA and HUD Are Working to Improve Data on Supportive Housing Program. [GAO-12-726](#). Washington, D.C.: June 26, 2012.

Homelessness: Fragmentation and Overlap in Programs Highlight the Need to Identify, Assess, and Reduce Inefficiencies. [GAO-12-491](#). Washington, D.C.: May 10, 2012.

Military Base Realignments and Closures: Key Factors Contributing to BRAC 2005 Results. [GAO-12-513T](#). Washington, D.C.: March 8, 2012.

Homeless Women Veterans: Actions Needed to Ensure Safe and Appropriate Housing. [GAO-12-182](#). Washington, D.C.: December 23, 2011.

Excess Facilities: DOD Needs More Complete Information and a Strategy to Guide Its Future Disposal Efforts. [GAO-11-814](#). Washington, D.C.: September 19, 2011.

Military Base Realignment and Closures: Review of the Iowa and Milan Army Ammunition Plants. [GAO-11-488R](#). Washington, D.C.: April 1, 2011.

GAO's 2011 High-Risk Series: An Update. [GAO-11-394T](#). Washington, D.C.: February 17, 2011.

Defense Infrastructure: High-Level Federal Interagency Coordination Is Warranted to Address Transportation Needs beyond the Scope of the Defense Access Roads Program. [GAO-11-165](#). Washington, D.C.: January 26, 2011.

Military Base Realignment and Closures: DOD Is Taking Steps to Mitigate Challenges but Is Not Fully Reporting Some Additional Costs. [GAO-10-725R](#). Washington, D.C.: July 21, 2010.

Rural Homelessness: Better Collaboration by HHS and HUD Could Improve Delivery of Services in Rural Areas. [GAO-10-724](#). Washington, D.C.: July 20, 2010.

Homelessness: A Common Vocabulary Could Help Agencies Collaborate and Collect More Consistent Data. [GAO-10-702](#). Washington, D.C.: June 30, 2010.

Defense Infrastructure: Army Needs to Improve Its Facility Planning Systems to Better Support Installations Experiencing Significant Growth. [GAO-10-602](#). Washington, D.C.: June 24, 2010.

Homelessness: Information on Administrative Costs for HUD's Emergency Shelter Grants Program. [GAO-10-491](#). Washington, D.C.: May 20, 2010.

Military Base Realignment and Closures: Estimated Costs Have Increased While Savings Estimates Have Decreased Since Fiscal Year 2009. [GAO-10-98R](#). Washington, D.C.: November 13, 2009.

Military Base Realignment and Closures: Transportation Impact of Personnel Increases Will Be Significant, but Long-Term Costs Are Uncertain and Direct Federal Support Is Limited. [GAO-09-750](#). Washington, D.C.: September 9, 2009.

Military Base Realignment and Closures: DOD Needs to Update Savings Estimates and Continue to Address Challenges in Consolidating Supply-Related Functions at Depot Maintenance Locations. [GAO-09-703](#). Washington, D.C.: July 9, 2009.

Defense Infrastructure: DOD Needs to Periodically Review Support Standards and Costs at Joint Bases and Better Inform Congress of Facility Sustainment Funding Uses. [GAO-09-336](#). Washington, D.C.: March 30, 2009.

Military Base Realignment and Closures: DOD Faces Challenges in Implementing Recommendations on Time and Is Not Consistently Updating Savings Estimates. [GAO-09-217](#). Washington, D.C.: January 30, 2009.

Military Base Realignment and Closures: Army Is Developing Plans to Transfer Functions from Fort Monmouth, New Jersey, to Aberdeen Proving Ground, Maryland, but Challenges Remain. [GAO-08-1010R](#). Washington, D.C.: August 13, 2008.

Defense Infrastructure: High-Level Leadership Needed to Help Communities Address Challenges Caused by DOD-Related Growth. [GAO-08-665](#). Washington, D.C.: June 17, 2008.

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Military Base Realignment and Closures: Higher Costs and Lower Savings Projected for Implementing Two Key Supply-Related BRAC Recommendations. [GAO-08-315](#). Washington, D.C.: March 5, 2008.

Defense Infrastructure: Realignment of Air Force Special Operations Command Units to Cannon Air Force Base, New Mexico. [GAO-08-244R](#). Washington, D.C.: January 18, 2008.

Military Base Realignment and Closures: Estimated Costs Have Increased and Estimated Savings Have Decreased. [GAO-08-341T](#). Washington, D.C.: December 12, 2007.

Military Base Realignment and Closures: Cost Estimates Have Increased and Are Likely to Continue to Evolve. [GAO-08-159](#). Washington, D.C.: December 11, 2007.

Military Base Realignment and Closures: Impact of Terminating, Relocating, or Outsourcing the Services of the Armed Forces Institute of Pathology. [GAO-08-20](#). Washington, D.C.: November 9, 2007.

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Military Base Realignment and Closures: Observations Related to the 2005 Round. [GAO-07-1203R](#). Washington, D.C.: September 6, 2007.

Military Base Closures: Projected Savings from Fleet Readiness Centers Likely Overstated and Actions Needed to Track Actual Savings and Overcome Certain Challenges. [GAO-07-304](#). Washington, D.C.: June 29, 2007.

Military Base Closures: Management Strategy Needed to Mitigate Challenges and Improve Communication to Help Ensure Timely Implementation of Air National Guard Recommendations. [GAO-07-641](#). Washington, D.C.: May 16, 2007.

Military Base Closures: Opportunities Exist to Improve Environmental Cleanup Cost Reporting and to Expedite Transfer of Unneeded Property. [GAO-07-166](#). Washington, D.C.: January 30, 2007.

Military Bases: Observations on DOD's 2005 Base Realignment and Closure Selection Process and Recommendations. [GAO-05-905](#). Washington, D.C.: July 18, 2005.

Military Bases: Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignments. [GAO-05-785](#). Washington, D.C.: July 1, 2005.

Military Base Closures: Observations on Prior and Current BRAC Rounds. [GAO-05-614](#). Washington, D.C.: May 3, 2005.

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