



May 2016

HOUSING FOR SPECIAL NEEDS

Funding for HUD's Supportive Housing Programs

Accessible Version

GAO Highlights

Highlights of [GAO-16-424](#), a report to congressional committees

Why GAO Did This Study

Over 151,000 very low-income elderly and disabled households rely on the Section 202 and the Section 811 programs to provide affordable rents and housing with supportive services. Before fiscal year 2012, nonprofit organizations interested in developing units for these populations could apply to HUD for grants known as capital advances, which did not have to be repaid as long as the property continued to serve these populations for 40 years. Since fiscal year 2012, Congress has not appropriated any funding for capital advances for either program, although it has continued to fund rental assistance for existing developments.

The House report accompanying the Consolidated and Further Continuing Appropriations Act of 2015 contained a provision for GAO to provide information on HUD capital advances for the Section 202 and Section 811 programs from 2008–2013.

This report examines (1) how HUD determined the capital advance amounts awarded to sponsors for Section 202 and Section 811 and (2) the number of capital advance awards and amounts by state from fiscal years 2008–2011 and any changes in the distribution of capital advances over that period. GAO reviewed budget documents and funding announcements and interviewed agency officials.

GAO makes no recommendations in this report. GAO provided a draft to HUD for its review and received technical comments, which were incorporated as appropriate.

View [GAO-16-424](#). For more information, contact Daniel Garcia-Diaz, 202-512-8678 or garciafdiaz@gao.gov

May 2016

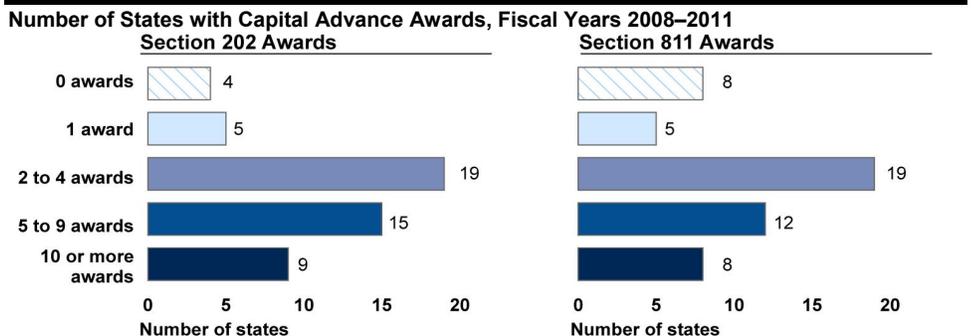
HOUSING FOR SPECIAL NEEDS

Funding for HUD’s Supportive Housing Programs

What GAO Found

Until program funding for new development ceased in fiscal year 2012, the Department of Housing and Urban Development (HUD) used a two-phase process to allocate and award capital advances for Section 202 Supportive Housing for the Elderly (Section 202) and Section 811 Supportive Housing for Persons with Disabilities (Section 811). First, HUD headquarters allocated the amount of appropriated funds for capital advances to each of the 18 regional offices using a funding formula, which accounted for regional housing needs and cost characteristics. Funding was further divided among 52 local offices using a set-aside formula and was also split between metropolitan and nonmetropolitan areas for Section 202. In 2010, HUD eliminated the set-aside which had guaranteed a minimum amount of funding for each local field office. The process for making capital advance awards did not change, but HUD was better able fund properties at a higher level. Second, applicants submitted applications to the applicable HUD regional office, and staff from these offices evaluated and scored applications based on various criteria, including capacity to provide housing and ability to secure funding from other sources. Applicants in each regional office were ranked highest to lowest and funded in that order. Any residual funds that were not sufficient to fund the next project in rank order were pooled nationwide and HUD headquarters used a national ranking to fund additional projects.

Most but not all states (including the District of Columbia and Puerto Rico) had applicants that received capital advances for Section 202 and Section 811 in fiscal years 2008 through 2011. GAO found that some states had applicants that received capital advances in each of the years reviewed, while other states did not. In the period reviewed, four states had no applicants that received Section 202 capital advance awards, and eight states had no applicants that received Section 811 capital advance awards. HUD officials cited several reasons applicants from some states may not have received funding during this period, including applications that were submitted may have been ineligible or higher-scoring applications from other states may have been selected instead. The capital advance amounts varied. For Section 202, total capital advance amounts for fiscal years 2008-2011 for states that received at least one award ranged from less than \$24 million to more than \$75 million. For Section 811, total capital advance amounts for fiscal years 2008-2011 for states that received at least one capital advance award ranged from less than \$4 million to more than \$15 million.



Source: GAO analysis of Housing and Urban Development data. | GAO-16-424

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Abbreviations

HUD	Department of Housing and Urban Development
IRS	Internal Revenue Service
PRAC	Project Rental Assistance Contract
Section 202	Supportive Housing for the Elderly
Section 811	Supportive Housing for Persons with Disabilities

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May 31, 2016

The Honorable Susan Collins
Chairman
The Honorable Jack Reed
Ranking Member
Subcommittee on Transportation, Housing and Urban Development, and
Related Agencies
Committee on Appropriations
United States Senate

The Honorable Mario Diaz-Balart
Chairman
The Honorable David Price
Ranking Member
Subcommittee on Transportation, Housing and Urban Development, and
Related Agencies
Committee on Appropriations
House of Representatives

The Department of Housing and Urban Development (HUD) has funded through capital advances approximately 151,000 units for very low-income elderly households and persons with disabilities through the Section 202 Supportive Housing for the Elderly (Section 202) and the Section 811 Supportive Housing for Persons with Disabilities (Section 811) programs.¹ From November 1990 through November 2011, the programs provided capital advances to nonprofit organizations to develop affordable housing units.² These programs also provide rental assistance funding to these organizations to help ensure the affordability of rent. Together, Section 202 and Section 811 help address unmet housing needs among these vulnerable populations.

The House report accompanying the Consolidated and Further Continuing Appropriations Act of 2015 includes a provision for GAO to

¹HUD uses the term “elderly” to identify adults who are aged 62 or older. HUD defines “very low income” as income that is at or below 50 percent of the area median income.

²This includes nonprofit consumer cooperatives.

provide information on HUD capital advances for the Section 202 and Section 811 programs by state for fiscal years 2008 through 2013.³ This report examines (1) how HUD determined the capital advance amounts for Section 202 and Section 811 and (2) the Section 202 and Section 811 capital advance amounts by state from fiscal years 2008 through 2011 and any changes in the distribution of capital advances over that period.⁴

To obtain information on how HUD determined capital advance amounts for Section 202 and Section 811, we reviewed the funding allocation and application processes described in HUD's Notices of Funding Availability for fiscal years 2008 through 2013, the years addressed in our mandate. We also reviewed budget justifications and committee reports. We reviewed relevant studies from GAO, HUD, the HUD Office of Inspector General, and housing advocacy groups on the Section 202 and Section 811 programs. We interviewed officials in HUD's Office of Multifamily Housing and housing groups that represent low-income older adults and individuals with disabilities.

To obtain information on the capital advance amounts awarded from fiscal years 2008 through 2011, we obtained and analyzed capital advance award decisions for both the Section 202 and Section 811 programs for these years. While these award determinations generally were made at the HUD regional office level, we report the awards by state to respond to the mandate.⁵ We were not able to review individual applications for capital advances to understand the score each application received because HUD only retains these records for a period of 3 years and records from the period under our review have been destroyed. Our analysis allowed us to identify the number of awards and the total award amount each state received in the years under our review. To determine the reliability of these data, we reviewed information about the system used to collect the data and agency statements on the data. We determined that the data were sufficiently reliable for our purposes.

³H.R. Rep. No. 113-464, at 88 (2014).

⁴For the purposes of this report, "states" include the 50 states plus the District of Columbia and Puerto Rico. For reporting purposes, we looked at data through 2011 since that was when the last capital advances were made.

⁵Some capital advance award decisions were made at the HUD headquarters level once all regional offices had completed their award process and returned any unused funds to HUD headquarters.

We also interviewed officials at HUD to better understand funding trends and funding decisions.

We conducted this performance audit from April 2015 to May 2016 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

The Section 202 and Section 811 programs are two federally funded programs intended to expand the supply of affordable housing for very low-income elderly persons and individuals with disabilities, respectively. The Housing Act of 1959, as amended, established the Section 202 Direct Loan Program to provide direct loans to nonprofit organizations to develop housing and provide supportive services for low-income older adults and individuals with disabilities.⁶ Under this loan program, over 278,000 units were funded from 1959 through 1990.⁷ In 1990, the Cranston-Gonzalez National Affordable Housing Act amended the Housing Act of 1959 and created separate programs: (1) the Section 202 Supportive Housing for the Elderly program to support affordable housing for very low-income elderly persons and (2) the Section 811 program for very low-income persons with disabilities. Section 202 households must be very low income (at or below 50 percent of area median income) and must include at least one member who is at least 62 years old. Section 811 households must also be very low income with at least one adult member with a disability (such as a physical or developmental disability or chronic mental illness). Since 1990, the Section 202 program has provided approximately 120,000 affordable housing units for older adults.⁸ As of fiscal year 2011, Section 811 has provided approximately 31,000 units for individuals with disabilities.

⁶12 U.S.C. 1701q (See program regulations at 24 CFR Sections 891.500 et seq.).

⁷Housing developed under the direct loan program is not included in the scope of this report.

⁸In 1990 the Section 202 program was changed to provide capital advances rather than loans to developers.

Since 1990, the Section 202 and Section 811 programs have provided financing to nonprofit organizations known as sponsors through capital advances for the construction, acquisition, or rehabilitation of new affordable housing units. Section 202 and Section 811 sponsors are not required to repay the capital advance as long as they continue to make supportive housing affordable to eligible households for 40 years. HUD also provides rental assistance payments to Section 202 and Section 811 sponsors to cover the difference between the unit's rent and the household's rental contribution, which is typically equal to 30 percent of the household income.⁹ For Section 202, sponsors can also use rental assistance payments to help pay for activities of daily living and instrumental activities of daily living, such as eating, dressing, managing finances, and managing medications.¹⁰

Funding for Section 202 and Section 811 capital advances and rental assistance has decreased in recent years (see table 1). The combined fiscal years 2010 and 2011 Notice of Funding Availability was the last capital advance competition for new units in both programs. Beginning with fiscal year 2012, appropriations have not been made for the production of new units.¹¹ In the combined fiscal years 2010 and 2011 capital advance competition cycle, HUD awarded 99 Section 202 capital advances in 33 states and 86 Section 811 capital advances in 34 states. With the suspension of funding for new construction or rehabilitation, housing developers must now rely on other funding sources, such as Low Income Housing Tax Credits, if they wish to build housing for these

⁹HUD enters into a contract with the sponsor to provide rental assistance payments. The initial Project Rental Assistance Contract (PRAC) covers 3 years. The PRAC amount awarded is determined by multiplying the number of units for very low-income elderly residents (residents with disabilities for Section 811) by the appropriate operating cost standard times three. The operating cost standard is published in a HUD Notice. Since 2012, HUD has also provided Project Rental Assistance for Section 811, which provides project-based rental assistance contracts to state housing agencies for affordable housing units for extremely low-income persons with disabilities.

¹⁰Activities of daily living are basic, routine tasks such as bathing, dressing, and eating that most people are able to perform on a daily basis without assistance. Instrumental activities of daily living are more complex tasks that require physical dexterity, sound judgement, and organizational skills, such as preparing meals and using transportation.

¹¹For this reason, the data in this report are focused primarily on fiscal years 2008 through 2011.

populations.¹² Although Congress continues to appropriate funds for rental assistance for existing Section 202 and Section 811 units, these appropriations also declined from 2011 to 2013. According to HUD, most Section 202 and Section 811 projects that received funding in fiscal year 2008, fiscal year 2009, or the combined fiscal year 2010/ 2011 funding cycle have been completed but some are still in the process of being completed.¹³

Table 1: Appropriations for the Section 202 and Section 811 Programs, Fiscal Years 2008 through 2013 (dollars in thousands)

	Program	2008	2009	2010	2011	2012 ^a	2013
Section 202	Capital Advances and New Rental Assistance Contracts	\$549,303	\$522,726	\$509,954	\$99,800	\$8,000	\$0
	Renewal/ Amendment of Rental Assistance Contracts	\$79,546	\$102,674	\$158,096	\$206,486	\$258,627	\$97,861
Section 811	Capital Advances and New Rental Assistance Contracts	\$136,737	\$124,697	\$162,000	\$46,634	\$0	\$0
	Renewal/ Amendment of Rental Assistance Contracts	\$23,015	\$34,603	\$48,900	\$66,000	\$90,296	\$55,937 ^b

Source: Office of Management and Budget Apportionment Schedules, which delineate the distribution of total appropriations. (Schedule #132). | GAO-16-424

Note: The Department of Housing and Urban Development combined the fiscal years 2010 and 2011 funding into one Notice of Funding Availability because the fiscal year 2011 appropriation was minimal.

^aCongress did not appropriate any funding for capital advances for Section 202 or Section 811 in fiscal years 2012 or 2013.

^bIn 2013, HUD also reprogramed \$29.8 million for a new Project Rental Assistance Demonstration for Section 811.

¹²The Low Income Housing Tax Credit is jointly administered by the Internal Revenue Service (IRS) and the state housing finance agency. Under this program, tax credits are awarded to developers of qualified projects. See GAO, *Low-Income Housing Tax Credit: Joint IRS-HUD Administration Could Help Address Weaknesses in Oversight*, [GAO-15-330](#) (Washington, D.C.: July 15, 2015).

¹³In fiscal years 2010 and 2011, HUD combined the appropriations for each of the two programs into a single Notice of Funding Availability (one for Section 202 and one for Section 811) because the fiscal year 2011 appropriation for both Section 202 and Section 811 was minimal.

HUD Allocated Capital Advances to Its Regional Offices Based on Relative Regional Housing Needs

Until fiscal year 2012, when funding for new units ceased, HUD used a two-phase process to allocate and award Section 202 and Section 811 capital advances (see fig. 1). First, HUD headquarters allocated the total amount of appropriated funds for capital advances to each of the 18 Hubs (which in this report we refer to as regional offices) based on a funding formula, which accounted for regional housing needs and cost characteristics.¹⁴ Second, applicants submitted applications online and staff from the applicable regional office evaluated applications using a technical review and a point system and awarded capital advances to the highest-scoring applicants. While our discussion of funding below analyzes the number of capital advances and the amount by state, award determinations were based on applications received in each regional office.

Process for Allocating Section 202 and Section 811 Capital Advances Considered Regions' Housing and Cost Characteristics

For the Section 202 program, HUD used a needs-based funding allocation formula that reflected the relevant characteristics of prospective program beneficiaries in each regional office.¹⁵ Under the Section 202 program, HUD allocated 85 percent of the total capital advance amount to metropolitan areas and 15 percent to nonmetropolitan areas within each regional office.¹⁶ HUD then applied a "fair share" factor for each metropolitan and nonmetropolitan portion of each of the 18 regional offices, which allowed it to adjust the allocated funds per region based on the number of elderly very low-income adults with housing conditions and geographic costs of providing housing in each region.¹⁷

According to HUD officials, in fiscal year 2010, HUD implemented changes in the way it distributed capital advances among the regional offices to better target resources for the Section 202 program. Prior to

¹⁴A HUD field office region is a geographic area that encompasses multiple field offices. HUD's organizational structure has changed since the period reviewed in this report. On April 24, 2013, HUD announced the transformation of the Office of Multifamily Housing Programs. The transformation plan included the consolidation of field operations from 52 field offices organized under 18 Hubs into 12 locations across five regions. HUD expects to complete this reorganization in 2016.

¹⁵This funding formula is specified in 24 CFR 791.402(a).

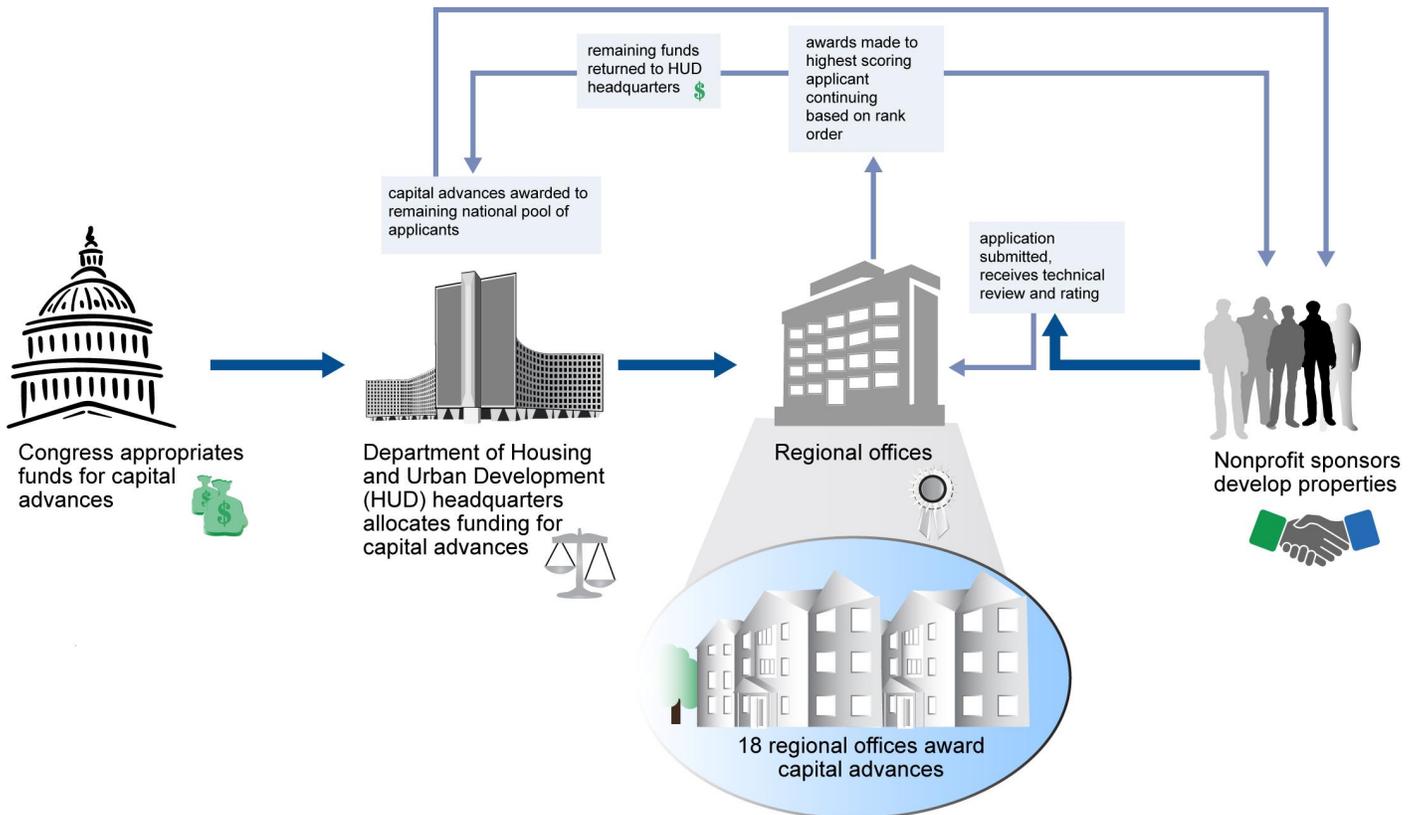
¹⁶HUD uses the June 2003 Office of Management and Budget definitions of metropolitan and nonmetropolitan areas.

¹⁷Housing conditions are defined as paying more than 30 percent of income for gross rent, or occupying a unit lacking some or all kitchen facilities, or occupying an overcrowded unit (1.01 persons per room or more).

2010, HUD allocated funds to each of the 18 regional offices and then further subdivided the funds among 52 local program offices associated with each regional office. At that time, each local program office received a minimum set-aside for metropolitan and nonmetropolitan areas. The set-aside was intended to provide enough funding to support the development of at least 20 units in metropolitan areas and 5 units in nonmetropolitan areas. However, in the combined fiscal year 2010/2011 capital advance competition, HUD did not subdivide the funds to local offices and discontinued the minimum set-aside of 20 units in metropolitan and 5 units in nonmetropolitan areas in order to fund properties at a higher level. According to HUD headquarters officials, by eliminating the field office set-aside, HUD could develop affordable housing in a more cost-effective manner. HUD officials said that while the 2010 Notice of Funding Availability no longer had a minimum set-aside, the process for reviewing applications and making award determinations remained the same.

Prior to 2010/2011, under the Section 811 program, each local office received capital advance funds for a minimum of 10 units. Similar to Section 202, the Section 811 program applied a “fair share” factor to distribute capital advances. The Section 811 funding formula for fiscal years 2010/2011 used the number of institutionalized persons age 16 to 64 with a disability, as well as geographic costs of providing housing, to allocate funding to each region. Unlike for Section 202, for Section 811 HUD did not require that a portion of the funding be allocated to metropolitan and nonmetropolitan areas.

Figure 1: Process for Allocating and Awarding Capital Advances, 2010 through 2011



Source: GAO. | GAO-16-424

HUD Regional Offices Scored Applicants for Section 202 and Section 811 Capital Advances in a Competitive Process

Both Section 202 and Section 811 followed a similar competitive process for awarding capital advances. After HUD announced the availability of funds, applicants submitted applications online and were then routed on to the applicable regional office.¹⁸ The review process involved a technical review followed by a rating process. During the technical review, regional office staff examined each application to determine adherence to eligibility requirements, such as responsiveness to local housing needs, project size, and development cost limits. They also assessed each application to

¹⁸HUD announces the availability of funds in Notices of Funding Availability, which provide guidance about eligibility requirements, funding criteria, and the application process.

identify deficiencies that are curable—for example, incomplete information submitted by the applicant that is not part of the scored application. If an application included curable deficiencies, the regional office notified the applicant and provided a time frame for resolving the deficiencies. Applications that did not pass the technical review were rejected. HUD provided a written notice to rejected applicants, which included the rationale for rejection and an opportunity for appeal. According to HUD headquarters officials, common reasons for rejection were noncompliance with environmental requirements and site control. Rejected applicants could file an appeal with HUD.

Applications that passed the technical review proceeded to the rating process. During the rating process, the regional office evaluated each application in several categories using a point system. These categories were (1) capacity of the applicant and relevant organizational staff; (2) need, or the extent of the problem; (3) soundness of approach; (4) leveraging resources; and (5) achieving results and program evaluation. Each application was scored on a number of criteria within each of these categories, and applications were required to meet a minimum point threshold in order to be considered for funding. According to HUD, once scores were compiled, HUD awarded capital advances through a competitive process to applicants selected in each region with the greatest number of points in each regional office. Because the regional offices received separate funding allocations for metropolitan and nonmetropolitan areas for Section 202, they were required to first split the applications into metropolitan and nonmetropolitan developments and then rank each application within these areas. The funding levels provided did not allow them to fund all eligible applicants. Each regional office selected eligible applications from highest to lowest scores until no more funding from the metropolitan and nonmetropolitan allocations remained. If an applicant were next in rank order but needed more funds than remained, regional offices were not permitted to skip over that applicant in order to select another lower scoring applicant whose project required less funds. Instead, according to HUD headquarters officials, once each regional office had awarded all the funds it could based on the stated criteria in the Notice Of Funding Availability (NOFA), HUD headquarters combined any remaining metropolitan and nonmetropolitan funds to select the next highest ranked application from either a metropolitan or nonmetropolitan area.

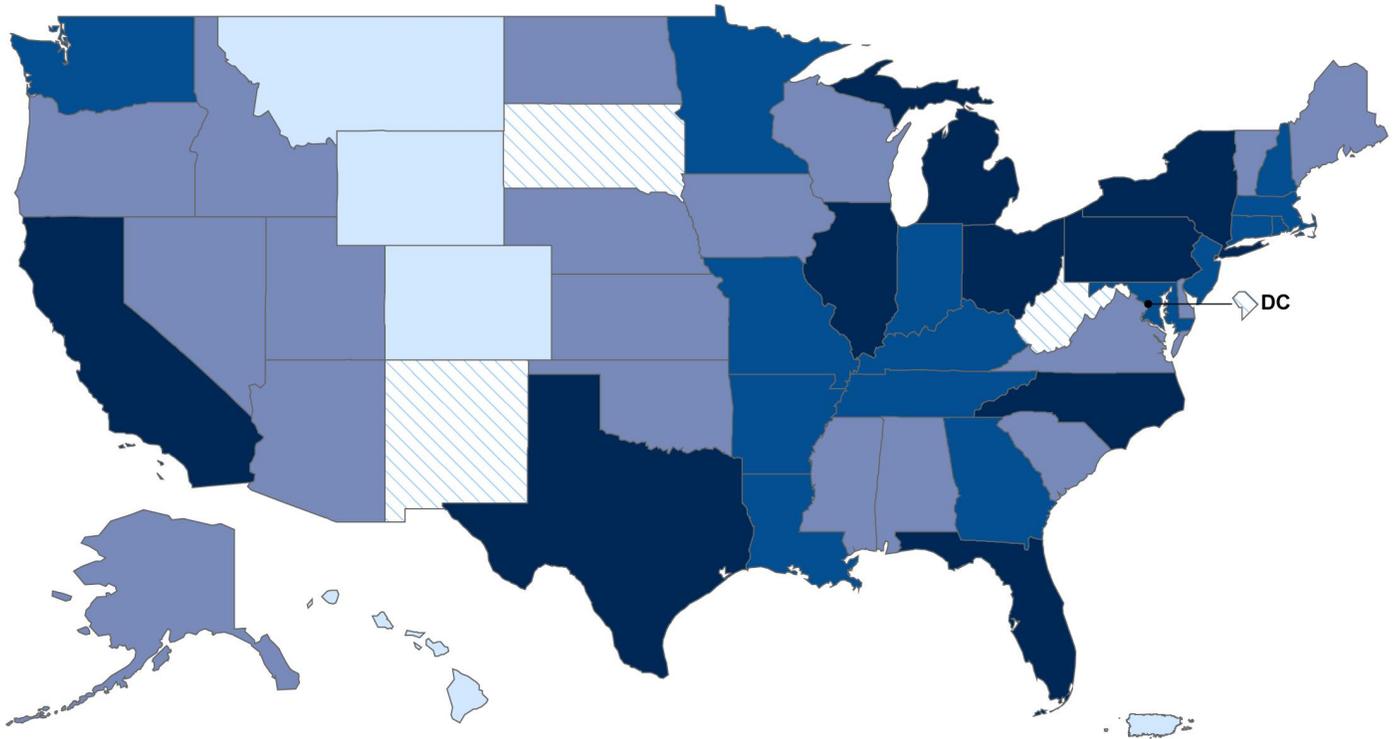
Once each regional office finished selecting applicants, any remaining funds were returned to HUD headquarters, where the remaining eligible applicants were entered into a nationwide competitive pool. Then HUD

headquarters awarded the remaining capital advance funds starting with the highest rated application nationwide that had not already received funding. HUD headquarters first selected the next highest ranked nonmetropolitan applications in order to satisfy its statutory requirement of 15 percent of the dollars going to nonmetropolitan areas. Any remaining funds were then used to fund qualified metropolitan applications. The allocation process continued until HUD headquarters allocated all available funds to eligible applicants. During this process, HUD headquarters was allowed to skip over a higher-rated applicant if selecting a lower-rated applicant meant all the remaining funds would be exhausted.

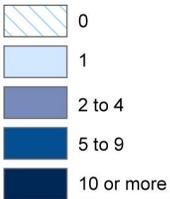
Most but Not All States Had Applicants That Received Capital Advances during Fiscal Years 2008 through 2011

From fiscal years 2008 through 2011, most states had at least one Section 202 applicant that received capital advance award dollars. See appendix I for a full list of all Section 202 and Section 811 awards and award amounts from fiscal years 2008 through 2011. As shown in figure 2, for fiscal years 2008 through 2011, applicants in 9 states received 10 or more awards, 15 states received between 5 and 9 awards, 19 states received between 2 and 4 awards, and 5 states received 1 award.

Figure 2: Total Number of Section 202 Capital Advances Awarded by State, Fiscal Years 2008 through 2011



Section 202 Capital Advance Awards



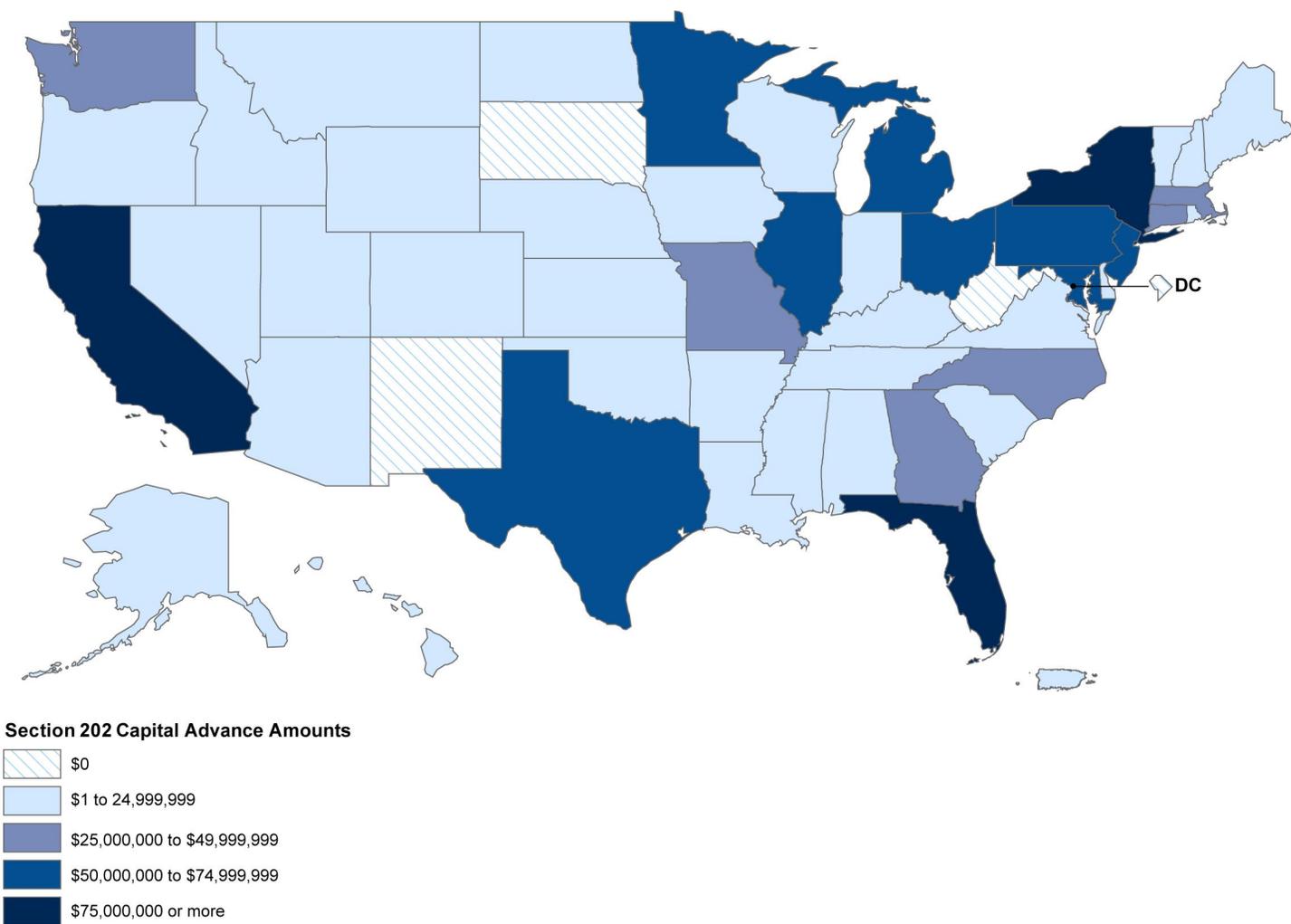
Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: States include the District of Columbia and Puerto Rico.

Total capital advance amounts awarded varied across states for the Section 202 program (see fig. 3). From fiscal years 2008 through 2011, three states received total capital advances of \$75 million or more. All three of these states (California, Florida, and New York) have large metropolitan areas, and all three received 10 or more awards during the period under review. Eight states received between \$50 million and \$74,999,999, while 6 states received between \$25 million and

\$49,999,999. Thirty-one states received between \$1,085,400 and \$24,999,999.¹⁹

Figure 3: Total Dollar Amount of Section 202 Capital Advances Awarded by State, Fiscal Years 2008 through 2011



Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: States include the District of Columbia and Puerto Rico.

¹⁹Hawaii received a single capital advance in fiscal year 2009 with an award amount of \$1,085,400.

Four states had no Section 202 awards during this period: the District of Columbia, New Mexico, South Dakota, and West Virginia. As shown in table 2, HUD’s regional offices received applications from sponsors to develop properties in all four of these states in at least one of the funding years. Since applications were only maintained for 3 years, HUD officials were not able to tell us why a specific application did not receive funding, but they identified possible reasons why applicants may not have received funding during this period. Specifically, HUD officials noted that applications that were submitted may have been ineligible; applications may have failed to meet the minimum point threshold for selection; or higher-scoring applications from other states may have been selected instead.

Table 2: Number of Applications for Section 202 Capital Advance Awards in States That Did Not Have an Award, Fiscal Years 2008 through 2011

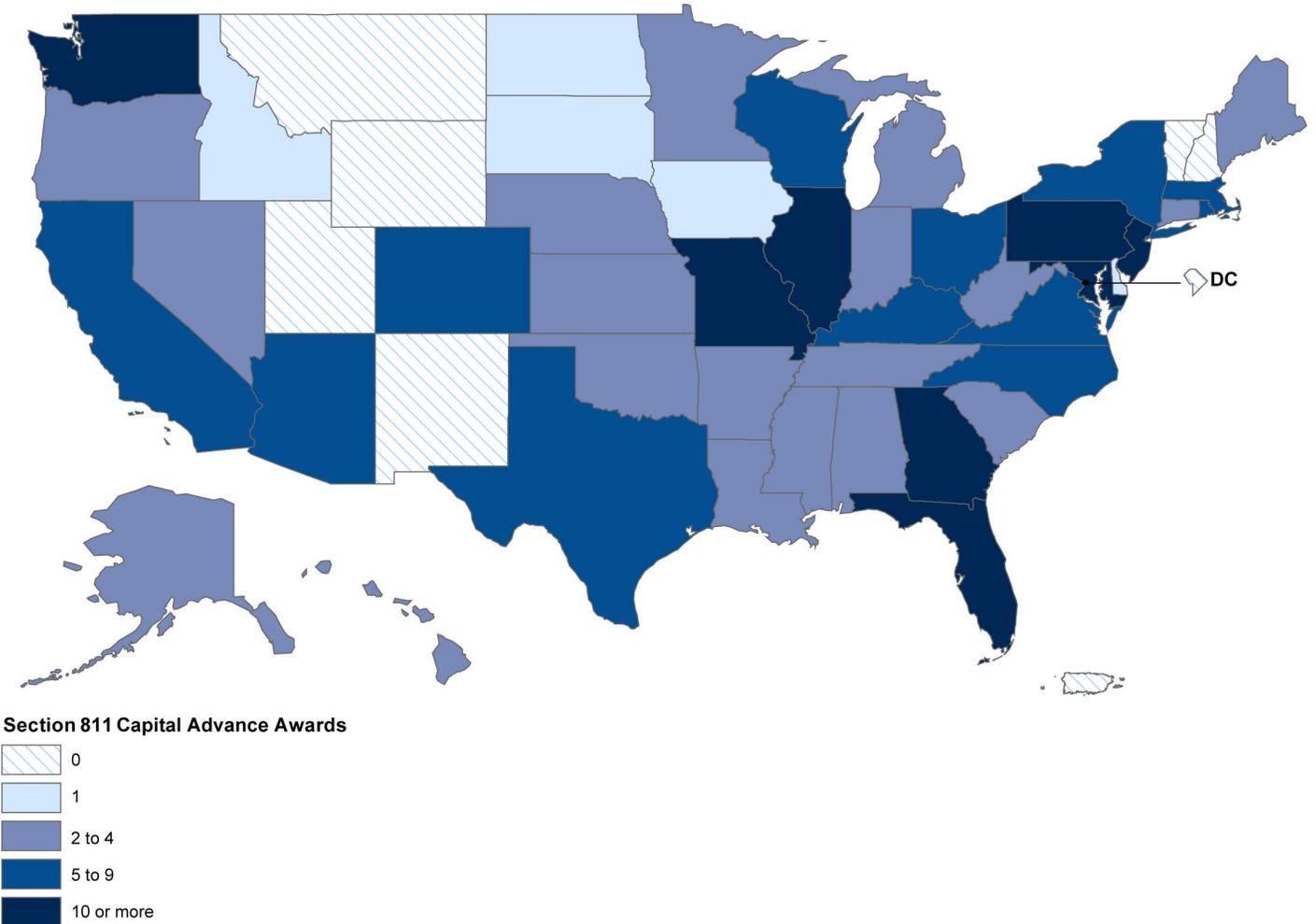
State	2008	2009	2010/2011
District of Columbia	0	1	0
New Mexico	4	1	2
South Dakota	1	1	0
West Virginia	0	3	6

Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: HUD combined awards for fiscal years 2010 and 2011.

Similarly, from fiscal years 2008 through 2011, Section 811 applicants in most states received funding for Section 811 projects. As shown in figure 4, applicants in 8 states received 10 or more awards, 12 states received between 5 and 9 awards, 19 states received between 2 and 4 awards, and 5 states received 1 award.

Figure 4: Total Number of Section 811 Capital Advances Awarded by State, Fiscal Years 2008 through 2011



Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: States include the District of Columbia and Puerto Rico.

Total amount of capital advances awarded varied across states for the Section 811 program (see fig. 5). From fiscal years 2008 through 2011, 6 states received capital advances of \$15 million or more. Five of these were states that received 10 or more capital advances during the period under review, while the sixth state, California, received 7 during this period. Six states received between \$10 million and \$14,999,999, while

Eight states did not have any Section 811 awards during this period: the District of Columbia, Montana, New Hampshire, New Mexico, Puerto Rico, Utah, Vermont, and Wyoming. As shown in table 3, HUD’s regional offices received applications to develop Section 811 properties in six of these states in at least 1 of the 3 funding years. Sponsors did not submit applications to develop properties in the District of Columbia and Wyoming in any of these years. HUD officials said that sponsors in these states did not receive capital advances for reasons similar to those for the Section 202 program.

Table 3: Number of Applications for Section 811 Capital Advance Awards in States That Did Not Have an Award, Fiscal Years 2008 through 2011

State	2008	2009	2010/2011
District of Columbia	0	0	0
Montana	0	0	1
New Hampshire	0	2	0
New Mexico	1	3	4
Puerto Rico	1	0	0
Utah	0	0	1
Vermont	0	0	2
Wyoming	0	0	0

Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: HUD combined awards for fiscal years 2010 and 2011.

Agency Comments and Our Evaluation

We provided a copy of this report to HUD for its review. HUD provided us technical comments which we incorporated where appropriate.

We are sending copies of this report to the Secretary of Housing and Urban Development and interested congressional committees. In addition, the report will be 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) 512-8678 or garcia Diaz@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs are listed on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

A handwritten signature in black ink, appearing to read "Daniel Garcia-Diaz". The signature is fluid and cursive, with a long horizontal stroke at the bottom.

Daniel Garcia-Diaz
Director, Financial Markets
and Community Investment

Appendix I: Number and Amount of Section 202 and Section 811 Capital Advance Awards, Fiscal Years 2008 through 2011

Tables 4 through 7 show the number of Section 202 and Section 811 capital advance awards and the total dollar amounts by state (including the District of Columbia and Puerto Rico) from fiscal years 2008 through 2011. Tables 5 and 7 also include the percentage of the total appropriated capital advance amount that each state received as well as the total percentage for fiscal years 2008 through 2011. As noted in the report, capital advance award decisions were made at the Housing and Urban Development (HUD) regional office and were not made by state, but rather across all states within a region. The fair share factor that HUD applied to the appropriated amount each year to determine the funding available to each region accounted for the number of elderly (or disabled for Section 811) renter households in each metropolitan and nonmetropolitan portion of the United States. That number was then adjusted to reflect the relative cost of providing housing in each HUD region and then multiplied by the respective total remaining capital advance funds nationwide to ensure that each HUD region received its fair share of the funding. The amount of funding and awards across individual states within each region could vary from year to year.

Table 4: Number of Section 202 Capital Advances Awarded by State, Fiscal Years 2008 through 2011

State	2008	2009	2010/2011	Total number of advances awarded, 2008–2011
Alaska	2	1	0	3
Alabama	2	2	0	4
Arkansas	2	1	3	6
Arizona	1	1	0	2
California	5	4	10	19
Colorado	0	1	0	1
Connecticut	3	2	2	7
Delaware	0	0	2	2
District of Columbia	0	0	0	0
Florida	3	2	5	10
Georgia	3	3	3	9
Hawaii	0	1	0	1
Iowa	0	2	1	3
Idaho	1	1	0	2
Illinois	4	3	4	11
Indiana	3	2	1	6
Kansas	1	1	1	3

**Appendix I: Number and Amount of Section
202 and Section 811 Capital Advance Awards,
Fiscal Years 2008 through 2011**

State	2008	2009	2010/2011	Total number of advances awarded, 2008–2011
Kentucky	4	1	2	7
Louisiana	2	2	1	5
Massachusetts	3	2	3	8
Maryland	3	2	4	9
Maine	0	1	1	2
Michigan	3	2	6	11
Minnesota	2	2	4	8
Missouri	1	2	2	5
Mississippi	1	2	0	3
Montana	1	0	0	1
North Carolina	3	4	3	10
North Dakota	0	1	1	2
Nebraska	1	0	1	2
New Hampshire	2	4	2	8
New Jersey	1	3	3	7
New Mexico	0	0	0	0
New York	6	6	8	20
Nevada	1	1	0	2
Ohio	7	5	7	19
Oklahoma	2	2	0	4
Oregon	1	1	0	2
Pennsylvania	4	2	4	10
Puerto Rico	0	0	1	1
Rhode Island	2	1	2	5
South Carolina	2	1	1	4
South Dakota	0	0	0	0
Tennessee	3	3	1	7
Texas	5	5	5	15
Utah	1	1	0	2
Vermont	0	1	1	2
Virginia	1	2	0	3
Washington	3	2	4	9
West Virginia	0	0	0	0
Wisconsin	1	1	0	2
Wyoming	0	1	0	1

**Appendix I: Number and Amount of Section
202 and Section 811 Capital Advance Awards,
Fiscal Years 2008 through 2011**

State	2008	2009	2010/2011	Total number of advances awarded, 2008–2011
Total number of advances awarded, by fiscal year	96	90	99	285

Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: HUD combined awards for fiscal years 2010 and 2011.

Table 5: Total Dollar Amount (percentage) of Section 202 Capital Advances Awarded by State, Fiscal Years 2008 through 2011

State	2008	2009	2010/ 2011 ^a	Total amount of advances awarded, 2008–2011
Alaska	\$2,005,800 (.4%)	\$4,362,900 (1%)	\$0	\$6,368,700 (.5%)
Alabama	8,826,800 (2)	7,975,600 (2)	0	16,802,400 (1)
Arkansas	3,115,800 (.7)	1,818,500 (.5)	3,306,200 (.6)	8,240,500 (.6)
Arizona	5,650,100 (1)	4,679,400 (1)	0	10,329,500 (.7)
California	46,451,100 (10)	43,813,900 (11)	85,102,800 (15)	175,367,800 (12)
Colorado	0	6,802,700 (2)	0	6,802,700 (.5)
Connecticut	16,610,700 (4)	7,679,700 (2)	8,113,800 (1)	32,404,200 (2)
Delaware	0	0	9,898,900 (2)	9,898,900 (.7)
District of Columbia	0	0	0	0
Florida	22,969,500 (5)	20,359,300 (5)	37,534,100 (7)	80,862,900 (6)
Georgia	12,444,600 (3)	9,687,300 (2)	6,963,200 (1)	29,095,100 (2)
Hawaii	0	1,085,400 (.3)	0	1,085,400 (.1)
Iowa	0	3,011,600 (.8)	2,147,500 (.4)	5,159,100 (.3)
Idaho	3,471,500 (.8)	4,297,700 (1)	0	7,769,200 (.6)
Illinois	25,752,300 (6)	18,180,500 (5)	26,613,400 (5)	70,546,200 (5)
Indiana	9,245,400 (2)	7,262,900 (2)	5,773,300 (1)	22,281,600 (2)
Kansas	5,118,700 (1)	5,158,700 (1)	3,149,700 (.6)	13,427,100 (1)
Kentucky	9,128,100 (2)	2,763,200 (.7)	5,947,100 (1)	17,838,400 (1)
Louisiana	4,879,100 (1)	2,038,600 (.5)	5,578,900 (1)	12,496,600 (.9)
Massachusetts	16,995,500 (4)	10,079,900 (3)	15,892,900 (3)	42,968,300 (3)
Maryland	18,641,400 (4)	9,793,000 (2)	28,652,300 (5)	57,086,700 (4)
Maine	0	2,520,800 (.6)	3,102,000 (.6)	5,622,800 (.4)
Michigan	15,366,800 (3)	11,903,000 (3)	34,270,400 (6)	61,540,200 (4)
Minnesota	11,460,200 (3)	12,834,900 (3)	29,127,000 (5)	53,422,100 (4)
Missouri	4,896,000 (1)	9,991,200 (3)	11,416,700 (2)	26,303,900 (2)
Mississippi	1,925,300 (.4)	3,208,200 (.8)	0	5,133,500 (.4)
Montana	3,519,000 (.8)	0	0	3,519,000 (.3)

**Appendix I: Number and Amount of Section
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State	2008	2009	2010/ 2011^a	Total amount of advances awarded, 2008–2011
North Carolina	11,841,900 (3)	15,684,100 (4)	10,215,900 (2)	37,741,900 (3)
North Dakota	0	2,951,000 (.7)	3,014,600 (.5)	5,965,600 (.4)
Nebraska	2,240,000 (.5)	0	5,726,800 (1)	7,966,800 (.6)
New Hampshire	7,730,500 (2)	10,713,400 (3)	5,841,900 (1)	24,285,800 (2)
New Jersey	11,249,600 (2)	21,002,200 (5)	21,419,100 (4)	53,670,900 (4)
New Mexico	0	0	0	0
New York	38,474,300 (9)	37,712,500 (9)	66,545,800 (12)	142,732,600 (10)
Nevada	6,996,000 (2)	4,665,100 (1)	0	11,661,100 (.8)
Ohio	17,294,600 (4)	15,902,500 (4)	32,633,100 (6)	65,830,200 (5)
Oklahoma	2,303,400 (.5)	3,303,800 (.8)	0	5,607,200 (.4)
Oregon	5,535,700 (1)	1,633,800 (.4)	0	7,169,500 (.5)
Pennsylvania	16,533,100 (4)	14,928,800 (4)	23,275,600 (4)	54,737,500 (4)
Puerto Rico	0	0	5,392,600 (1)	5,392,600 (.4)
Rhode Island	10,079,500 (2)	3,151,000 (.8)	5,912,100 (1)	19,142,600 (1)
South Carolina	5,848,500 (1)	3,324,400 (.8)	1,252,700 (.2)	10,425,600 (.7)
South Dakota	0	0	0	0
Tennessee	4,502,400 (1)	7,385,900 (2)	2,534,100 (.5)	14,422,400 (1)
Texas	26,449,100 (6)	19,221,300 (5)	22,972,900 (4)	68,643,300 (5)
Utah	7,859,700 (2)	2,320,100 (.6)	0	10,179,800 (.7)
Vermont	0	1,260,400 (.3)	4,543,800 (.8)	5,804,200 (.4)
Virginia	5,028,300 (1)	6,689,300 (2)	0	11,717,600 (.8)
Washington	20,133,200 (4)	9,456,300 (2)	20,039,600 (4)	49,629,100 (4)
West Virginia	0	0	0	0
Wisconsin	4,006,100 (.9)	4,090,200 (1)	0	8,096,300 (.6)
Wyoming	0	2,130,900 (.5)	0	2,130,900 (.2)
Total amounts awarded, by fiscal year	\$452,579,600	\$398,835,900	\$553,910,800	\$1,405,326,300

Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: HUD combined awards for fiscal years 2010 and 2011.

^aIn fiscal years 2010 and 2011, HUD combined the appropriations into a single Notice of Funding Availability because the fiscal year 2011 appropriation was minimal.

**Appendix I: Number and Amount of Section
202 and Section 811 Capital Advance Awards,
Fiscal Years 2008 through 2011**

Table 6: Number of Section 811 Capital Advance Awards by State, Fiscal Years 2008 through 2011

State	2008	2009	2010/ 2011	Total number of advances awarded, 2008–2011
Alaska	0	1	2	3
Alabama	0	1	1	2
Arkansas	0	1	3	4
Arizona	3	2	0	5
California	0	2	5	7
Colorado	2	1	2	5
Connecticut	0	1	1	2
Delaware	1	0	0	1
District of Columbia	0	0	0	0
Florida	3	3	5	11
Georgia	4	5	4	13
Hawaii	1	1	0	2
Iowa	0	1	0	1
Idaho	0	0	1	1
Illinois	3	2	6	11
Indiana	1	1	1	3
Kansas	1	1	0	2
Kentucky	2	2	2	6
Louisiana	1	1	1	3
Massachusetts	1	3	3	7
Maryland	6	2	3	11
Maine	1	1	1	3
Michigan	1	0	3	4
Minnesota	2	0	0	2
Missouri	6	1	4	11
Mississippi	1	0	1	2
Montana	0	0	0	0
North Carolina	3	1	5	9
North Dakota	1	0	0	1
Nebraska	1	0	1	2
New Hampshire	0	0	0	0
New Jersey	5	4	5	14
New Mexico	0	0	0	0
New York	1	2	4	7

**Appendix I: Number and Amount of Section
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State	2008	2009	2010/ 2011	Total number of advances awarded, 2008–2011
Nevada	1	1	0	2
Ohio	3	3	2	8
Oklahoma	2	1	1	4
Oregon	3	0	1	4
Pennsylvania	5	5	2	12
Puerto Rico	0	0	0	0
Rhode Island	2	2	3	7
South Carolina	1	1	0	2
South Dakota	1	0	0	1
Tennessee	1	1	1	3
Texas	3	2	3	8
Utah	0	0	0	0
Vermont	0	0	0	0
Virginia	2	2	1	5
Washington	4	2	4	10
West Virginia	0	1	1	2
Wisconsin	4	2	3	9
Wyoming	0	0	0	0
Total number of advances awarded, by fiscal year	83	63	86	232

Source: GAO analysis of Department of Housing and Urban Development. | GAO-16-424

Note: HUD combined awards for fiscal years 2010 and 2011.

Table 7: Total Dollar Amount (percentage) of Section 811 Capital Advances Awarded by State, Fiscal Years 2008 through 2011

State	2008	2009	2010/ 2011	Total amount of advances awarded, 2008–2011
Alaska	\$0	\$2,085,000 (3%)	\$3,436,000 (3%)	\$5,521,000 (2%)
Alabama	0	1,524,300 (2)	816,000 (.6)	2,340,300 (.7)
Arkansas	0	928,000 (1)	3,777,300 (3)	4,705,300 (1)
Arizona	4,025,200 (4)	3,032,400 (4)	0	7,057,600 (2)
California	0	5,841,900 (7)	12,538,400 (10)	18,380,300 (6)
Colorado	3,437,000 (3)	1,927,900 (2)	1,906,400 (1)	7,271,300 (2)
Connecticut	0	903,500 (1)	2,294,400 (2)	3,197,900 (1)
Delaware	652,100 (.6)	0	0	652,100 (.2)
District of Columbia	0	0	0	0
Florida	5,444,500 (5)	4,067,400 (5)	7,874,100 (6)	17,386,000 (5)

**Appendix I: Number and Amount of Section
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State	2008	2009	2010/ 2011	Total amount of advances awarded, 2008–2011
Georgia	3,417,400 (3)	2,914,000 (4)	3,545,500 (3)	9,876,900 (3)
Hawaii	854,800 (.8)	884,300 (1)	0	1,739,100 (.6)
Iowa	0	1,505,800 (2)	0	1,505,800 (.5)
Idaho	0	0	1,428,500 (1)	1,428,500 (.5)
Illinois	3,083,900 (3)	2,719,400 (3)	8,089,600 (6)	13,892,900 (4)
Indiana	2,025,000 (2)	1,650,600 (2)	2,393,200 (2)	6,068,800 (2)
Kansas	1,019,300 (1)	1,674,100 (2)	0	2,693,400 (.9)
Kentucky	2,335,200 (2)	2,661,500 (3)	2,362,200 (2)	7,358,900 (2)
Louisiana	1,580,300(1)	687,700(.9)	944,500(.7)	3,212,500 (1)
Massachusetts	614,400 (.6)	2,828,500 (4)	1,973,400 (2)	5,416,300 (2)
Maryland	6,658,500 (6)	2,742,300 (3)	3,580,500 (3)	12,981,300 (4)
Maine	576,600 (.5)	599,400 (.8)	536,500 (.4)	1,712,500 (.5)
Michigan	1,524,554 (1)	0	5,861,967(4)	7,386,521(2)
Minnesota	3,724,500 (3)	0	0	3,724,500 (1)
Missouri	8,484,900 (8)	1,326,200 (2)	8,303,800 (6)	18,114,900 (6)
Mississippi	1,372,900 (1)	0	1,483,000 (1)	2,855,900 (.9)
Montana	0	0	0	0
North Carolina	3,109,400 (3)	1,453,700 (2)	7,748,200 (6)	12,311,300 (4)
North Dakota	680,000 (.6)	0	0	680,000 (.2)
Nebraska	1,097,700 (1)	0	1,604,300 (1)	2,702,000 (.9)
New Hampshire	0	0	0	0
New Jersey	4,724,200 (4)	3,876,800 (5)	7,035,200 (5)	15,636,200 (5)
New Mexico	0	0	0	0
New York	2,080,900 (2)	4,133,500 (5)	6,867,200 (5)	13,081,600 (4)
Nevada	3,108,400 (3)	1,475,900 (2)	0	4,584,300 (1)
Ohio	3,318,100 (3)	3,229,400 (4)	3,326,300 (3)	9,873,800 (3)
Oklahoma	2,216,400 (2)	440,600 (.6)	1,431,700 (1)	4,088,700 (1)
Oregon	5,282,200 (5)	0	1,878,600 (1)	7,160,800 (2)
Pennsylvania	6,559,800 (6)	6,155,200 (8)	2,866,700 (2)	15,581,700 (5)
Puerto Rico	0	0	0	0
Rhode Island	2,002,400 (2)	2,595,400 (3)	4,740,100 (4)	9,337,900 (3)
South Carolina	1,841,000 (2)	1,678,400 (2)	0	3,519,400 (1)
South Dakota	2,014,000 (2)	0	0	2,014,000 (.6)
Tennessee	1,429,200 (1)	1,215,100 (2)	1,178,300 (.9)	3,822,600 (1)
Texas	3,565,700 (3)	3,225,800 (4)	4,175,400 (3)	10,966,900 (3)
Utah	0	0	0	0

**Appendix I: Number and Amount of Section
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State	2008	2009	2010/ 2011	Total amount of advances awarded, 2008–2011
Vermont	0	0	0	0
Virginia	988,200 (.9)	1,223,200 (2)	1,325,300 (1)	3,536,700 (1)
Washington	6,672,000 (6)	3,511,500 (4)	7,474,700 (6)	17,658,200 (6)
West Virginia	0	498,500 (.6)	1,694,900 (1)	2,193,400 (.7)
Wisconsin	5,571,500 (5)	2,428,800 (3)	4,359,200 (3)	12,359,500 (4)
Wyoming	0	0	0	0
Total amounts awarded, by fiscal year	\$107,092,154	\$79,646,000	\$128,808,967	\$317,589,521

Source: GAO analysis of Department of Housing and Urban Development data. | GAO-16-424

Note: HUD combined awards for fiscal years 2010 and 2011.

Appendix II: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, Paul Schmidt, Assistant Director; Rachel Siegel, Analyst-in-Charge; John McGrail; Ruben Montes de Oca; Jennifer Schwartz; Jena Sinkfield; and Nina Thomas-Diggs made key contributions to this report.

Appendix III: Accessible Data

Data Tables

Data Table for Highlights Figure: Number of States with Capital Advance Awards, Fiscal Years 2008–2011

	Section 202 Awards	Section 811 Awards
0 awards	4	8
1 awards	5	5
2 to 4 awards	19	19
5 to 9 awards	15	12
10 or more awards	9	8

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