



U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410-0001

THE SECRETARY

July 13, 2009

The Honorable Jan Brewer  
Governor of Arizona  
1700 West Washington  
Phoenix, AZ 85007

Dear Governor Brewer:

Thank you for the leadership you have shown in the State of Arizona to implement projects funded under the American Recovery and Reinvestment Act of 2009 (Recovery Act). At the Department of Housing and Urban Development (HUD), we are committed to working with all of our grantees across the State of Arizona and the country to ensure that we jointly meet the Recovery Act goals of job creation and sustained economic development.

As of last Friday, HUD had obligated \$80,332,356 to Arizona, or 52.39 percent of your state's projected total grant allocation of \$153,343,807. That leaves at least \$73,011,451 in housing and community development funding still to be obligated to Arizona's communities, and more may be allocated in the competitive phase of our programs. These projects in Arizona and similar ones across America are creating good-paying jobs and building America's infrastructure for the future.

Yesterday, in the course of public debate on Recovery Act funding, Senator Kyl expressed his belief that funds not yet obligated to states, counties, and cities should be pulled back. To fully inform this public debate, you should be aware that if this \$73 million could not be obligated to Arizona, the following awards would not be made: \$14 million in Community Development Block Grant money; \$22 million in Homelessness Prevention and Rapid Re-Housing; \$32 million in the Tax Credit Assistance Program; and over \$3 million in Project-Based Rental Assistance. Much of this funding is scheduled to be obligated in the next 10 days. Again, these figures do not include competitive funds for which Arizona may be eligible.

I am willing to do what I can to answer any questions that you may have for the State of Arizona about the funding and results of economic recovery. I look forward to your reply.

Sincerely,

Shaun Donovan