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

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

MAR 19 2009

The Honorable Brian Schweitzer
Governor
State of Montana
State Capitol Building
Room 204
Helena, MT 59620

Dear Governor Schweitzer:

On behalf of Secretary Shaun Donovan, I am pleased to inform you that the Department is approving your jurisdiction's action plan amendment for Neighborhood Stabilization Program (NSP) funding and is awarding $19,600,000 for the State of Montana.

The Housing and Economic Recovery Act of 2008 (HERA), enacted on July 30, 2008, established the NSP and appropriated $3.92 billion to be distributed to states and local governments to address the effects of abandoned and foreclosed properties in the nation's communities. The Department announced NSP funding allocations on September 26, 2008, and action plan amendments were due not later than December 1, 2008.

The Neighborhood Stabilization Program is a component of the long-standing Community Development Block Grant (CDBG) program. The program generally follows CDBG program requirements except as modified by HERA or by HUD to expedite use of NSP funds. Please refer to the October 6, 2008, *Federal Register* notice for NSP operating guidance. The NSP grant agreement will be sent under separate cover to the agency designated as administrator of your jurisdiction's program. Please note that this letter does not represent the point of obligation for NSP funding; execution of the forthcoming grant agreement will be the point of obligation and will trigger the 18 month period in which the NSP funds must be used.

The Department is pleased to partner with you in implementing this new program and will continue to provide extensive support and guidance to you and other NSP grantees. I suggest that you continually visit the NSP website at www.hud.gov/nsp for information and updates.

Sincerely,

Nelson R. Bregón
General Deputy Assistant Secretary