



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

ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

January 17, 2012

The Honorable Sam Kookier  
Mayor of Rapid City  
300 6th Street  
Rapid City, SD 57701

Dear Mayor Kookier:

I am pleased to inform you of your community's Fiscal Year (FY) 2012 allocations for the Office of Community Planning and Development's (CPD) formula programs, which provide funding for housing, community and economic development activities, and assistance for low- and moderate-income persons and special populations across the country. President Obama signed Public Law 112-55 on November 18, 2011, which includes FY 2012 funding for these programs. Your community's FY 2012 available amounts are:

Community Development Block Grant (CDBG)	\$465,934
HOME Investment Partnerships (HOME)	\$0
Housing Opportunities for Persons with AIDS (HOPWA)	\$0
Emergency Solutions Grants (ESG)	\$0

While our budget demonstrates an ongoing commitment to the critical CDBG and HOME programs to help states and localities continue to navigate these difficult economic times, it also represents a significant cut from last year's budget. The FY 2012 budget for the CDBG formula allocation that was included in the appropriations bill adopted by Congress is approximately \$2.948 billion, a reduction from approximately \$3.302 billion in FY 2011, representing a reduction of approximately 11 percent in total available funding. The FY 2012 budget for HOME is \$1 billion, a reduction of 38 percent from approximately \$1.6 billion in FY 2011. We understand that the combined effects of new Census and American Community Survey data and budget reductions will make FY 2012 a difficult period of adjustment for many of our grantees.

In this period of adjustment, we recognize that reduced funding levels may require program restructuring and further prioritization and targeting of these limited resources at a time when communities around the country continue to face significant need. We are committed to doing everything we can to support you as you face these challenges. If you would like assistance from CPD in redesigning, prioritizing or targeting your programs, either you or the head of the agency that administers your program may request technical assistance through your local CPD Director.

Please note that the "Emergency Shelter Grants" program has changed to the "Emergency Solutions Grants" program in accordance with the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act). The change in the program's name reflects the change in the program's focus from addressing the needs of homeless people in emergency or transitional shelters to assisting people to quickly regain stability in permanent housing after

experiencing a housing crisis and/or homelessness. On December 5, 2011, HUD published an interim rule, which is effective as of January 4, 2012, and available in [Volume 76, Page 75954 of the Federal Register](#).

CPD looks forward to working with you in a true partnership to successfully meet the challenges we face. Please contact your local CPD office director if you or your staff have any other questions or comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mercedes Márquez", with a stylized flourish extending to the right.

Mercedes Márquez  
Assistant Secretary