

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410-0001

December 7, 2009

THE SECRETARY

The Honorable Bill Nelson United States Senate 459A Russell Senate Office Building Washington, DC 20510

Dear Senator Nelson:

I appreciated having the opportunity to meet with you on December 1, 2009, to discuss the difficulties facing homeowners in Florida and other states that may be related to the drywall that was used in the construction of homes in these areas in recent years. As you know, I traveled to Florida in October in order to get a direct look at some of the affected homes. I would like to reiterate what I stated in our meeting last week: HUD is actively involved in the Obama Administration's efforts to determine the best course of action on the drywall issue, and I am personally committed to doing all I can to see that HUD helps provide appropriate solutions.

As I mentioned in our meeting, at my direction HUD's Office of Community Planning and Development will shortly be issuing guidance making it clear that actions to remediate problem drywall can be eligible for assistance under the Community Development Block Grant (CDBG) program. The guidance will provide details about the eligible activities relating to drywall remediation, and the ways in which CDBG funds can be used to benefit families with various income levels. It is my expectation that this guidance will be valuable in helping affected communities and homeowners determine how best to respond to this set of issues. My office will provide you with a copy of the announcement when it is published.

Thank you for meeting with me, and for your commitment to helping homeowners in Florida. I look forward to continued collaboration with you on this and other matters.

Shaun Donovan