



CITY COUNCIL ACTION REPORT

October 3, 2006

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Services
Timothy L. Richnak, Public Works Director

SUBJECT: 2006 Request to Waive Recapture Form

Background:

- The Community and Home Improvement Division of Oakland County has advised us, as a standard practice, to submit a waiver request to protect year 2004 Community Development Block Grant (CDBG) funds from recapture for one additional year.

Financial Considerations:

- Absent a waiver all unobligated 2004 funds would be recaptured December 31, 2006.

Legal Considerations:

- There are no legal considerations associated with this item.

Policy Considerations:

- There are no policy considerations associated with this item.

Options:

- City management recommends submitting the 2006 request to waive recapture form

COMMUNITY DEVELOPMENT BLOCK GRANT 2006 REQUEST TO WAIVE RECAPTURE FORM

PLEASE DO NOT SUBMIT WAIVER REQUESTS WITH APPLICATION MATERIALS
WAIVER REQUESTS ARE DUE TO KARRY L. RIETH, DIVISION MANAGER
NO LATER THAN FRIDAY NOVEMBER 24, 2006

The U.S. Department of Housing and Urban Development (HUD) mandates that Community Development Block Grant (CDBG) balances not exceed 1.5 times the current program year allocation sixty (60) days prior to the end of the program year (February 28th). To help comply with the regulation, the Oakland County Board of Commissioners adopted a policy allowing communities to protect funds from their two most recent program years. Therefore, all unobligated 2004 and older funds are at risk of recapture December 31, 2006.

A community may protect unobligated 2004 funds from recapture for one additional year by requesting a waiver. **Submittal of the following information and a governing body resolution** from the community requesting a one year deferral of recapture constitutes the Request to Waive Recapture. **A separate form must be submitted for each 2004 line item.**

Community Name: City of Troy

Date request submitted: October 16, 2006

2004 CDBG Project Title: Public Facilities and Improvements – Special Assessments

Amount of funds to be retained: \$120,344.00

Description and Location of activity:

Fund sanitary sewer benefit use fee for approximately 8 low-moderate income households.
Charnwood Subdivision Area, Phase #1 Section 6

Reason for NOT completing project as specified on original 2004 application:
Less than anticipated number of residents qualified for funds.

Provide a corrective action plan and specific project implementation plans scheduled for the next calendar year. Projects must be completed by December 31, 2007

Date	Corrective Action
Funds will be reprogrammed early in 2007 to Charnwood Subdivision Area, Phase #2	
Anticipate funds will be obligated prior to December 2007 for project.	
