



## CITY COUNCIL ACTION REPORT

October 24, 2008

TO: Phillip L. Nelson, City Manager

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

SUBJECT: 2008 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 2006 Community Development Block Grant (CDBG) funds from recapture for one additional year.

### Financial Considerations:

- Absent a waiver all unobligated 2006 funds would be recaptured December 31, 2008.

### 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 2008 request to waive recapture form.

# COMMUNITY DEVELOPMENT BLOCK GRANT 2008 REQUEST TO WAIVE RECAPTURE FORM

**WAIVER REQUESTS ARE DUE TO KARRY L. RIETH, DIVISION MANAGER  
NO LATER THAN MONDAY DECEMBER 15, 2008**

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 28<sup>th</sup>). 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 2006 and older funds are at risk of recapture December 31, 2008.

A community may protect unobligated 2006 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 2006 line item.**

Community Name: City of Troy

Date request submitted: November 14, 2008

2006 CDBG Project Title: Special Assessment (Sanitary Sewer Benefit Use Fee)

Amount of funds to be retained: \$93,816.00

Description and Location of activity: Pay special assessment (Sanitary Sewer Benefit Use Fee) for Sanitary Sewer Construction in Charnwood Subdivision Area, Phase #1, Section 6.

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Reason for NOT completing project as specified on original 2006 application:  
Fewer residents than anticipated qualified per income limits for funds.

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Provide a corrective action plan and specific project implementation plans scheduled for the next calendar year. Projects must be completed by December 31, 2009

Date: November 10, 2008

Corrective Action:

Funds will be reprogrammed early in 2009 to Section 36 Park Project. Funds will be exhausted Prior to December 31, 2009.

# COMMUNITY DEVELOPMENT BLOCK GRANT 2008 REQUEST TO WAIVE RECAPTURE FORM

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Community Name: City of Troy

Date request submitted: November 14, 2008

2006 CDBG Project Title: Public Services

Amount of funds to be retained: \$35,023.05

Description and Location of activity:

Fund home chore program for approximately 80 income qualified seniors and persons with disabilities per Oakland County Guidelines. City Wide.

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Reason for NOT completing project as specified on original 2006 application:

Less snowfall than anticipated in 2006, therefore contractor for snow removal was not called out as many times as past years. Snow removal and lawn maintenance bid price submitted by contractors were lower than previous years.

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Provide a corrective action plan and specific project implementation plans scheduled for the next calendar year. Projects must be completed by December 31, 2009

Date: November 10, 2008

Corrective Action:

Funds will be applied to Fall 2008 yard cleanup and snow removal for Winter 2008 and early 2009.