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Alpena County Home Improvement Program

Telephone (989) 354-9664 Fax (989) 354-9783 Email: homeimprovement@alpenacounty.org

MEMORANDUM

DATE:

May 10, 2023

TO:

Alpena County Facilities, Capital & Strategic Planning Committee

FROM:

Nicki Janish

SUBJECT:

Approval of Home Improvement Project #EM 21-24, 8798 French Rd., Alpena

MESSAGE:

Per the Alpena County Home Improvement Program's Procedural Guidelines, all projects estimated to exceed \$15,000 must have Board approval in order to proceed. It is my recommendation that the following project be approved:

Project #: EM 21-24

Address: 8798 French Rd., Alpena, Michigan 49707

Description: Homeowners are in dire need of a new well. There is currently no running water, and the homeowners are hauling water for both personal use and livestock on the property. A well service company has been on the site, all attempts of repairing the existing well have been exhausted, and there is no choice but to abandon the existing well and drill a new one. This is an emergency repair project eligible under both our Program Income Emergency Repair and HPG (Housing Preservation Grant) Programs.

Homeowner meets all eligibility requirements to receive assistance based on ownership status, income and asset guidelines, household size, up-to-date property taxes, and current homeowner's insurance. The SEV on the home is \$43,000 with an estimated fair market value of \$86,000. There is one mortgage on the home with an outstanding balance owed of \$35,000.

Per the program's procedural guidelines, the homeowner qualifies for a 0%-interest deferred loan. The estimated cost of the project is \$24,500, and the project will be funded with both Program Income and HPG Funds. Estimated administrative fees to be collected on this project are approximately \$4,116.

Because of the nature of this project, it is difficult to know what the final cost will be until



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construction begins. All estimated figures are based on the drilling of a well to a depth exceeding 300 feet. This is based on professional opinion considering Heath Department requirements and contractor experience in and around the vicinity of this home. We are presenting and anticipating these figures as a worst-case scenario for purposes of seeking Board approval and for anticipating the approval in the form of a loan vs. a grant; however, if the end result is drastically different once construction begins, I will seek additional approval of the Board to make any requested changes or amendments, if appropriate.

Respectfully Submitted,





