

Representative Mike Hoadley

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House Office Building 12-1288 - P.O. Box 30014 - Lansing, MI 48909

Re: RESTORE MID-MICHIGAN LAKES

Thank you for your continued support to restore the Mid- Michigan Lakes. We appreciate the efforts of your team and your leadership in Lansing. Particularly your introduction of the bill to offer deferred assessment as an option to seniors and disabled that meet certain requirements to include a homestead property.

We all know where we were the day the Mid-Michigan dams failed on May 19, 2020. There was property loss, but thanks to our first responders there was no loss of life. The 4 Lakes were gone in a matter of hours.

Thanks to \$222.5 Million in grants from the State of Michigan, we are 3-1/2 years into rebuilding. We value the leadership of the volunteer Four Lakes Task Force. We appreciate the \$20 Million in grant support to date provided by the Federal government coupled with the \$5 Million in private donations.

Just 3 years ago the average assessment costs to the under 8,000 properties along the 4 Lakes to rebuild was \$525/YR.

As we continue the construction phase to rebuild the 4 dams, cost estimates from just 3 years ago have doubled. The culprits are a market flush with projects due to Federal infrastructure spending causing upward pricing pressure, compounding annual double-digit inflation, and escalating interest rates.

Today the estimated average assessment is \$2,171/YR. This includes a construction assessment that averages \$33,000 per property where annual payments over 40 years will exceed \$77,000 to individual property owners.

Here are proposed solutions for your consideration. We seek your help to get these formally considered:

- **Additional grant money** will reduce the cost for ALL property owners. The funding gap of \$217 Million can be addressed from a **combination of grants, appropriations and “rainy day allocations”** combined with federal support.
- Using the average, a **zero-interest loan** for construction provides the opportunity to provide annual relief to property owners of \$1,108 on average representing \$44,320 over 40 years.
- Using the average, **an annual appropriation** of \$2 Million per year has the potential to eliminate the operations / maintenance assessment for property owners providing about \$245 in annual assessment relief.
- A **tax deduction** to recognize the contribution property owners make to help restore these infrastructure dams.
- We seek support for the **Deferred Assessment Program** introduced by you to help the elderly and disabled that meet certain requirements to include a homestead property.
- What programs can be put in place to help our **local businesses** along the lakes? Tax deductions, zero or low interest loan programs or assessment relief.
- What other **creative ideas** are available to help reduce the cost of assessments for ALL property owners?

Which concept(s) can your team help with? Your continued support and leadership is needed today to help finish the job.

Sincerely,

[YOUR NAME]

[PROPERTY ADDRESS]

[CITY, STATE, ZIP]