



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
ACTING DIRECTOR

117 E Superior LLC,
Petitioner,

MICHIGAN TAX TRIBUNAL

v

MOAHR Docket No. 22-001807

City of Alma,
Respondent.

Presiding Judge
Jason C. Grinnell

SUMMARY OF PREHEARING CONFERENCE

SCHEDULING ORDER

NOTICE OF VIDEO CONFERENCE HEARING

A Prehearing Conference on this matter was held on October 20, 2023. Attorney Kelli Collins appeared on behalf of Petitioner. Attorney Francis Keating appeared on behalf of Respondent. A scheduling order has been established and a video conference hearing, held via Microsoft Teams, has been set for:

HEARING DATE:	Wednesday, February 14, 2024 and Thursday, February 15, 2024
HEARING TIME:	9:00 a.m.
TEAMS HEARING LINK:	Click here to join the meeting Or call in (audio only) +1 248-509-0316,,75448118# United States, Pontiac
PARTICIPANTS' GUIDE:	https://bit.ly/34fBXnN

This is an important legal document. Please have someone translate the document.

Este es un documento legal importante. Por favor, haga traducir este documento.

এটি একটি গুরুত্বপূর্ণ আইনি দলিল, অনুগ্রহ করে কেউ দলিলটিকে অনুবাদ করুন।

هذا هو وثيقة قانونية هامة يرجى لديك شخص تترجم الوثيقة.

Ito ay isang mahalagang legal na dokumento. Mangyari lamang na magkaroon ng isang tao isalin ang dokumento.

This hearing is open to the public and this notice is provided under the Open Meetings Act. Any participant in the hearing or member of the public wishing to attend this hearing must click on the link above to gain access to the hearing.

PREHEARING CONFERENCE SUMMARY

I. VALUATION INFORMATION:

- A. The true cash value (TCV), assessed value (AV), and taxable value (TV) for each parcel and tax year at issue as established by the Board of Review:

Parcel Number: 29-51-344-586-00

Year	TCV	AV	TV
2022	\$99,800	\$49,900	\$49,900

- B. The parties' contentions of TCV, state equalized value (SEV), and TV for each parcel and tax year at issue:

Parcel Number: 29-51-344-586-00

Year	Petitioner			Respondent		
	TCV	SEV	TV	TCV	SEV	TV
2022	\$60,000	\$30,000	\$30,000	\$97,500	\$48,750	\$48,750

- C. Amounts in dispute for the tax years at issue:

Parcel Number: 29-51-344-586-00

Year	SEV	TV
2022	\$18,750	\$18,750

III. TAX INFORMATION

The property's taxes have been paid for the tax year at issue.

IV. FACTUAL STATEMENT OF CLAIMS:

- A. Classification of property:

Parcel Number	Classification
29-51-344-586-00	Commercial-Improved

B. Highest and best use (H&BU) for the tax years at issue:

Tax Year	H&BU
2022	Commercial

C. The property's TCV and TV are at issue for each tax year under appeal.

D. Petitioner's claims or counterclaims: Petitioner submits the subject property consists of .096 acres with 22.5 feet of road frontage on Superior Street in downtown Alma, with improvements consisting of a 2,167/SF restaurant. The subject improvements were remodeled between 2016–2018, prior to Petitioner's purchase.¹ Petitioner submits that it purchased the subject property on December 1, 2021, in an arms-length transaction for \$60,000.² For its valuation disclosure, Petitioner provided 14 sales comparables which took place in downtown Alma between August 2020 and October 2022. Petitioner submits that the \$60,000 sale price of the subject property was similar to the 2021 TCV of \$64,000, and therefore Petitioner submits that its evidence supports a reduction in the TCV to \$60,000 or \$27.70/SF (rounded) with a TV of \$30,000.

E. Respondent's claims or counterclaims: Respondent submits the subject property is slightly over assessed, warranting a small reduction in TCV and TV. For the most part, Respondent agrees with Petitioner concerning the subject property but contends that the improvements were remodeled in 1999 and underwent significant renovations from 2017 to 2019. Additionally, Respondent contends that the subject property was not sold in an arms-length transaction. Respondent's valuation includes evidence consisting of a Commercial Lease with Option to Purchase, signed by Robert Platt, as member of Alma's Main Café, LLC, with an option to purchase the subject property for \$155,000, after credit for monthly rental payments made prior to exercising the option. On December 1, 2021, Petitioner exercised its right to purchase the subject property. In support of its case, Respondent provided a valuation disclosure utilizing the cost approach and sales comparison approach. For its cost approach, Respondent provided as evidence a 2022 property record card, a downtown commercial ECF study, a downtown commercial vacant land sale study, and a valuation report. Additionally, as part of its valuation disclosure, Respondent provided a sales comparison approach consisting of five sales comparables, one of which occurred in 2019, two in 2020, one in 2021, and one in 2022. All of the Respondent's sales comparables are located in downtown Alma, and in close proximity to the subject property. After making adjustments for differences between the comparables and the subject, Respondent afforded most weight to

¹ Michigan Business Entity records indicate Petitioner's counsel, Kelli Collins is a member of Alma's Main Café, LLC and organizer of 117 E Superior Street, LLC, now owner of the subject property. Alma's Main Café, LLC was a tenant at the subject property pursuant to a lease commencing January 1, 2017.

² Respondent's evidence clearly shows that the 2021 sale was not an arms-length transaction, and the actual sales price was not \$60,000 as Petitioner contends.

sales comparables #1 and #3, to conclude a price per SF of \$45. Respondent ultimately relied on its sales comparison approach to arrive at a revised TCV of \$97,500 (rounded) with an TV of \$48,750.

V. PENDING MOTIONS OR DISCOVERY:

A. Motions: None pending at this time.

B. Discovery: Discovery is closed unless otherwise stated below.

VI. VIDEO CONFERENCE HEARING INFORMATION

The parties and the Tribunal have determined the above-captioned case shall be conducted via video conference.

A link to the ***MOAHR MTT Guide for Participants for the Conducting of Entire Tribunal Hearings as Video Conference Proceedings*** is provided above. Participants are encouraged to review this Guide prior to hearing and are **required** to comply with the requirements of the Guide, as said requirements will facilitate the conducting of the scheduled hearing.

The Tribunal's [Remote Witness Instructions](#) must also be reviewed by any witnesses who may be called at hearing.

SCHEDULING ORDER

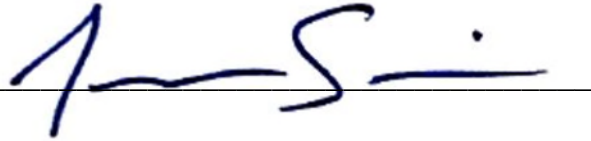
- I. January 31, 2024 is the final date to file and serve upon the opposing party and the Tribunal a final exhibit list and to furnish the opposing party with a copy of each exhibit. **The parties must use the form prescribed by the Tribunal.** An exhibit will not be admitted into evidence unless the exhibit is disclosed and furnished in accordance with this Order (even though admissible) except upon a finding of good cause by the Tribunal.

- II. January 31, 2024 is the date for Petitioner to notify the Tribunal in writing of the name and telephone number of the court reporter retained by the parties to transcribe the hearing.

Failure to comply with this Order may result in holding the non-complying party in default or the dismissal of the case or the conducting of a show cause or default hearing, as provided by TTR 231.³

Date Entered: October 20, 2023
jcg

By



³ See also MCL 205.732.

HEARING INFORMATION – PLEASE READ IMMEDIATELY

GENERAL INFORMATION: An impartial hearing will be conducted in accordance with the Michigan Administrative Hearing Rules (R 792.10101-R 792.11297) and the Michigan Administrative Procedures Act, MCL 24.201 *et seq.* The Michigan Rules of Evidence and the Michigan Court Rules may be applicable. A party is expected to exercise proper respect and courtesy toward other parties, witnesses and administrative law judges, which includes attending the hearing on time, silencing cell phones, and dressing in appropriate clothing for in-person hearings.

REPRESENTATION: A party may be represented by an attorney or other authorized representative of the party's own choosing and at the party's own expense. The Michigan Office of Administrative Hearings and Rules does not recommend or appoint attorneys.

WITNESSES: Parties may present witnesses, if any, identified in the Prehearing Statements, to testify under oath or affirmation at the hearing, subject to cross-examination by the opposing party, and questions by the administrative law judge.

EXHIBITS: The parties shall submit exhibits pursuant to the Guide for Participants.

COURT REPORTER: The parties shall not only provide a court reporter to transcribe the hearing but shall also provide an electronic copy of the hearing transcript to the Tribunal by e-mailing it to taxtrib@michigan.gov. The costs attributable to the court reporter shall be shared equally by the parties. If the parties fail to pay the costs of the transcript to the court report prior to the submission of the transcript to the Tribunal, the court reporter may report this to the Tribunal with the submission of the transcript. As a result, the party or parties who failed to pay the costs associated with the transcript may be held in default.⁴

WITHDRAWAL: If Petitioner no longer wants to continue with the appeal, Petitioner may submit a written request to withdraw the case. Respondent must concur with the withdrawal. The request must be submitted to the Tribunal and served on Respondent at least 14 days before the hearing. Respondent may file a concurrence or objection to the request within 7 days of the service of the request on that party. If Respondent does not timely submit a concurrence or objection to the request will be deemed to be a concurrence to the request. If the request is granted, the case will be dismissed. If a request is not granted or the Tribunal has not notified you that it has been granted, you are required to attend the hearing.

SETTLEMENT: Parties may submit a written agreement settling a case (i.e., stipulation). The stipulation must be on a form made available by the tribunal or shall be in a written form that is in substantial compliance with the tribunal's form and be signed by the parties' attorneys or authorized representatives, if they have attorneys or authorized representatives, or by the parties, if they do not have attorneys or authorized representatives. There is a \$50 fee for the filing of the stipulation. If the stipulation with appropriate filing fee is received by the Tribunal or the parties email a copy of the signed stipulation to the Tribunal by 4:30 p.m. on the business day immediately preceding the day of the scheduled hearing, the hearing may be adjourned. Parties that email a copy of a signed stipulation to the Tribunal for purposes of adjourning a hearing are also required to submit the original signed stipulation with appropriate filing fee. The

⁴ See TTR 321.

stipulation, once submitted, will be reviewed and, if accepted, the Tribunal will issue a consent judgment.

FAILURE TO APPEAR: The failure of a party to timely appear or otherwise participate in a hearing will result in adjournment of the hearing and the holding of that party in default. The defaulted party will be given an opportunity to show good cause for the failure to appear. Failure to respond or show good cause may result in dismissal of the case or the conducting of a default hearing.

REASONABLE ACCOMMODATION: All hearings are conducted in a barrier-free location in compliance with the Americans with Disabilities Act. An individual requiring reasonable accommodation for effective participation in a hearing, including accessible documentation such as braille, large print, electronic or audio reader, should contact the MOAHR by telephone at (517) 335-9760, or complete and submit an accommodation request form at https://www.michigan.gov/documents/lara/Disability_Accommodation_FORM_v1_2_464017_7.d within five (5) days of receipt of the Notice of Hearing to ensure availability of accommodation.

Hearing participants and observing members of the public who need assistance with speech or hearing may also participate in a telephonic or virtual hearing by dialing 7-1-1 and using the Michigan Relay service. More information about this service may be found at https://www.michigan.gov/mpsc/0,9535,7-395-93308_93325_93425_94040_94041---,00.html.

PRIVACY OF INFORMATION: In order to conduct a comprehensive and fair hearing, a party's private or confidential information, such as health or financial information, may be disclosed to the Tribunal and other parties and their attorneys or representatives. The MOAHR will use the private information solely for purposes related to the hearings process. A party may file a motion to request that a public hearing be closed in part or file a motion for protective order to deem certain information private and confidential in order to afford that information special protection.

CONTACT INFORMATION:

Michigan Tax Tribunal
U.S. Postal Mailing Address: 611 W. Ottawa St., Lansing, MI 48933
Overnight Carrier Address (UPS, FedEx, DHL Deliveries):
2nd Floor MOAHR, 2407 N. Grand River Avenue, Lansing, MI 48906
Phone: (517) 335-9760
E-Mail: taxtrib@michigan.gov
Website: www.michigan.gov/taxtrib
E-Filing: <https://eFiling.apps.lara.state.mi.us>
Office Hours: 8:00 a.m. – 5:00 p.m., our office is closed from 12:00 p.m. – 1:00 p.m.

PROOF OF SERVICE

I certify that a copy of the foregoing was sent on the entry date indicated above to the parties or their attorneys or authorized representatives, if any, utilizing either the mailing or email addresses on file, as provide by those parties, attorneys, or authorized representatives.

By: Tribunal Clerk