



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

GRETCHEN WHITMER
GOVERNOR

RACHAEL EUBANKS
STATE TREASURER

MINUTES OF THE MEETING OF THE STATE TAX COMMISSION

***Okemos Conference Center, Okemos A & B Rooms
2187 University Park Drive, Okemos, Michigan***

***Monday, April 8, 2019
9:00 a.m.***

***PRESENT: Nick A. Khouri, Chair STC
W. Howard Morris, Member STC (Present until 12:00 p.m.)
Leonard D. Kutschman, Member STC
Heather S. Frick, Executive Director
LaNiece Densteadt, Recording Secretary***

The item numbers referred to in the minutes correspond to the agenda items as numbered.

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the minutes of February 12, 2019. (Item 1 on agenda)

Public Comment – Agenda Items 3-10 Only (Item 2 on agenda): No member of the public wished to comment.

It was moved by Kutschman, supported by Morris, and unanimously approved the 2019 Values for DNR PILT Properties. (Item 5 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to hold in abeyance the recommendation to proceed to the Michigan Administrative Hearing System (MAHS) to allow Mr. David Rozeveld to complete a course on Economic Condition Factors within six months of the order, complete the Transfers of Ownership course being offered on June 13, 2019 or another Transfers of Ownership course within six months of the order and complete the State Tax Commission's Audit of Minimum Assessing Requirements (AMAR) training. Failure to complete the courses and training shall result in Mr. Rozeveld to automatically proceeding to MAHS formal hearing. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to hold in abeyance the recommendation to proceed to the Michigan Administrative Hearing System (MAHS) to allow Mr. Dennis Burns to complete a course on Economic Condition Factors within six months of the order and complete the State Tax Commission's Audit of Minimum Assessing

Requirements (AMAR) training. Failure to complete the course and training shall result in Mr. Burns to automatically proceeding to MAHS formal hearing. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to hold in abeyance the recommendation to proceed to the Michigan Administrative Hearing System (MAHS) to allow Mr. Peter Kleiman to schedule one-on-one training with BS&A which will include how to use the software and run various reports and shall be completed within six months of the order and complete the State Tax Commission's Audit of Minimum Assessing Requirements (AMAR) training. Failure to complete the course and training shall result in Mr. Kleiman to automatically proceeding to MAHS formal hearing. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to hold in abeyance the recommendation to proceed to the Michigan Administrative Hearing System (MAHS) to allow Mr. Roy Kissinger to complete the State Tax Commission's Audit of Minimum Assessing Requirements (AMAR) training. Failure to complete the training shall result in Mr. Kissinger to automatically proceeding to MAHS formal hearing. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to hold in abeyance the recommendation to proceed to the Michigan Administrative Hearing System (MAHS) to allow Mr. Kevin Dubord to complete a course on Land Values within six months of the order and complete the Assessing.NET Level II course within six months of the order. Failure to complete the courses shall result in Mr. Kevin Dubord to automatically proceeding to MAHS formal hearing. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to hold in abeyance the recommendation to proceed to the Michigan Administrative Hearing System (MAHS) to allow Ms. Barbara Eaton to complete a course on Land Values within six months of the order and complete the State Tax Commission's Audit of Minimum Assessing Requirements (AMAR) training. Failure to complete the course and training shall result in Ms. Barbara Eaton to automatically proceeding to MAHS formal hearing. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the recommendation of the Assessor Discipline Advisory Committee and take no further disciplinary action regarding Mr. David VanderHeide's assessor certification. The Commission also unanimously approved to adopt the staff recommendation that the Commission request the Department of Attorney General to review and advise the Commission regarding its adopted Non-Disclosure Agreement. (Item 4 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the recommendation of the Assessor Discipline Advisory Committee and take no further disciplinary action regarding Mr. Eric Ostergren's assessor certification. The Commission also approved the staff recommendation to request the Department of Attorney General review and advise on their adopted Non-Disclosure Agreement. (Item 4 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the staff recommendation regarding the 2019 Cap Rates for Railroads and Carlines for State Assessed Property. (Item 5 on agenda)

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the official order to overturn Richfield Township, Genesee County 2018 December Board of Review actions related to the uncapping of taxable values equal to the assessed values for parcels 16-28-677-018, 16-31-576-018 and 16-11-576-019. (Item 6 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to overturn Sanilac Township, Sanilac County 2018 July Board of Review actions related to parcel 212-011-200-070-10 and move the Disabled Veteran’s exemption to the correct parcel 210-011-200-070-10. (Item 7 on agenda)

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the staff recommendation on the Charitable Non-Profit Housing Organization Exemptions for the following: (Item 8 on agenda)

These exemptions will expire on **December 30, 2022 for a period of three (3 years) or December 30, 2024 for a period of five (5 years)** or until one of the following events occur:

1. The eligible nonprofit housing property is occupied by a low-income person under a lease agreement, or
2. The eligible nonprofit housing property is transferred by the charitable nonprofit housing organization.

County	Local Unit	Parcel Number	Years Approved
Ottawa	Holland Township	70-16-16-100-063	5 years
Oceana	Village of Hesperia	64-041-610-029-00	5 years
Alpena	City of Alpena	092-257-000-027-00	5 years
Chippewa	City of Sault Ste. Marie	051-145-272-00	5 years
Presque Isle	Belknap Township	030-019-000-020-00	3 years
Saint Joseph	City of Three Rivers	75-051-145-143-00	5 years
Saint Joseph	City of Three Rivers	75-051-212-007-01	5 years
Saint Joseph	City of Three Rivers	75-051-445-192-00	5 years
Saint Joseph	City of Three Rivers	75-051-445-138-01	5 years

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the staff recommendation on the Re-certifications and New Certifications of Computerized Tax Rolls for the following: (Item 9 on agenda)

These certifications will expire on **May 1, 2022**.

New Certifications:

Macomb County

Village of New Haven
Village of Romeo

Mason County

Summit Township

Recertification's:

Alcona County

Alcona Township
Haynes Township

Bay County

City of Essexville
Hampton Township

Clare County

City of Clare

Calhoun County

City of Marshall

Genesee County

Argentine Township
City of Clio
City of Davison
Flint Township
Flushing Township
Forest Township
Genesee Township
City of Grand Blanc
Mt. Morris Township
Richfield Township
City of Swartz Creek
Thetford Township
Vienna Township

Gogebic County

City of Bessemer
Erwin Township
City of Ironwood
Ironwood Township
Wakefield Township
City of Wakefield
Watersmeet Township

Hillsdale County

City of Hillsdale

Ingham County

Meridian Township

Isabella County

Chippewa Township
City of Clare
Coldwater Township
Deerfield Township

Fremont Township
Lincoln Township
City of Mt. Pleasant
Sherman Township
Union Township

Jackson County

Blackman Township
Concord Township
Leoni Township

Kalamazoo County

Charleston Township
City of Galesburg

Kent County

Byron Township
Courtland Township
City of East Grand Rapids
Oakfield Township

Lapeer County

Village of Almont
Arcadia Township
Burnside Township
Village of Columbiaville
Deerfield Township
Lapeer Township
Marathon Township
Metamora Township
Oregon Township

Lenawee County

City of Tecumseh

Livingston County

City of Brighton
Conway Township
Tyrone Township

Macomb County

Armada Township
Bruce Township
Chesterfield Township
Clinton Township
City of Fraser
Village of Grosse Pointe Shores
Harrison Township
Lenox Township
Macomb Township

City of Memphis
City of Mount Clemens
City of New Baltimore
Ray Township
Richmond Township
City of Richmond
City of St. Claire Shores
Shelby Township
City of Sterling Heights
City of Utica
City of Warren
Washington Township

Mason County

City of Ludington
Victory Township

Midland County

City of Coleman
Geneva Township
Greendale Township
Jasper Township
Jerome Township
Midland Township
Mills Township
Porter Township
Warren Township

Monroe County

Village of Dundee
Erie Township
City of Monroe

Montcalm County

City of Greenville

Osceola County

City of Evart
Evart Township
Hersey Township
LeRoy Township
Lincoln Township
Marion Township
City of Reed City
Richmond Township
Sherman Township
Silvan Township

Ottawa County

Allendale Township
Blendon Township
Chester Township
Georgetown Township
Grand Haven Township
Holland Township
City of Hudsonville
Jamestown Township
Olive Township
Polkton Township
Port Sheldon Township
Village of Spring Lake
Tallmadge Township
Wright Township
City of Zeeland
Zeeland Township

Saginaw County

Bridgeport Township
City of Saginaw

Saint Clair County

City of Richmond

Sanilac County

Maple Valley Township

Washtenaw County

Dexter Township

Wayne County

Village of Grosse Pointe Shores

Wexford County

City of Cadillac

Recertification Denials:

Gladwin County

Hay Township
Sherman Township

Macomb County

Village of Armada

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the staff recommendation on the New Certifications of Computerized Assessment Rolls for the following: (Item 10 on agenda)

These certifications will expire on **May 1, 2022**.

New Certifications:

Berrien County

New Buffalo Township

Recertifications:

Gladwin County

Hay Township

Sherman Township

Livingston County

Hartland Township

Oakland County

City of Troy

Saginaw County

City of Saginaw

Wayne County

City of Romulus

David Bajorek, Aaron Powers, and Dr. Rick Harding appeared before the Commission on behalf of the City of River Rouge. Steve Schneider and David Fanning appeared before the Commission on behalf of DTE River Rouge, LLC and EES Coke Battery, LLC. The Commission heard from all parties. MCL 211.154 Petitions were filed by Wayne County Equalization (154-14-1140) and the City of River Rouge (154-15-0991) regarding property owned by EES Coke Battery, LLC. The City of River Rouge also filed a 154 Petition (154-15-0992) regarding property owned by DTE River Rouge, LLC. On February 14, 2017 the State Tax Commission approved to deny 154 Petitions Nos. 154-14-1140, 154-15-0991 and 154-15-0992. The City of River Rouge appealed the determination of the State Tax Commission to the Wayne County Circuit Court (Case No. 17-005372-AA). On November 13, 2017 the Wayne County Circuit Court entered an order setting aside the February 14, 2017 State Tax Commission ruling and remanded the 154 Petitions back to the State Tax Commission for further proceedings relative to each Air Pollution Control Personal Property Exemption Certificate having been issued, to what extent, if any, DTE and EES Coke obtained commercial or productive value recovered by each respective facility; whether DTE and EES Coke failed to report such commercial or productive value to the City of River Rouge; and whether such failure to report constitutes an Incorrect Reporting of property as contemplated by MCL 211.154. It was moved by Kutschman, supported by Morris, and approved to postpone a decision until the May 13, 2019 meeting to allow time to review all information presented and make Findings of Fact and Conclusions of Law as required by the Circuit Court remand. Chairman Khouri recused himself from the matter.

It was moved by Morris, supported by Kutschman, and unanimously approved the staff recommendation on the **Special Items Exemptions Agenda**. (Item 12 on agenda) ([See attached link for file identification](#))

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the staff recommendations on the **Exemptions Agenda**. (Item 13 on agenda) ([See attached link for file identification](#))

It was moved by Morris, supported by Kutschman, and unanimously approved to adopt the MCL 211.154 petitions on the **Concurrence Agenda**. (Item 14 on agenda) ([See attached link for file identification](#))

It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the staff recommendations on MCL 211.154 petitions on the **Special Items Agenda** and to approve the assessor withdrawal of petitions 154-18-1020, 154-18-1038, 154-18-1039, 154-18-1040, 154-18-1041, 154-18-1043, 154-18-1044, 154-18-1045, 154-18-1047, 154-18-1049 and 154-18-1050. Chairman Khouri opposed the recommendation on petitions 154-18-1046 and 154-18-0611. It was moved by Kutschman, supported by Morris, and unanimously approved to adopt the official order to overturn Napoleon Township, Jackson County 2018 July Board of Review action related to the granting of a poverty exemption for the 2018 tax year for parcels 119-14-26-226-002-00, 119-14-26-003-00 and 052-14-23-477-018-00. (Item 15 on agenda) ([See attached link for file identification](#))

It was moved by Kutschman, supported by Khouri, and approved the following MCL 211.154 petitions as a **concurrence**, initially noticed as a non-concurrence. (Item 16 on agenda)

Otisco Township, Ionia County

154-18-0939 MURPHY, LORIE 64-130-035-000-070-10
REAL PROPERTY

2016 AV from \$66,800 to \$62,400 TV from \$63,389 to \$58,989

2017 AV from \$74,100 to \$69,300 TV from \$63,959 to \$59,519

2018 AV from \$79,000 to \$73,800 TV from \$65,302 to \$60,768

Blackman Charter Township, Jackson County

154-18-1053 PETTY MACHINE & TOOL INC, 999-08-09-402-002-09
IFT PERSONAL PROPERTY

2016 AV from \$414,866 to \$0 TV from \$414,866 to \$0

2017 AV from \$414,900 to \$0 TV from \$414,900 to \$0

2018 AV from \$ 83,500 to \$0 TV from \$ 83,500 to \$0

154-18-1054 PETTY MACHINE & TOOL INC, 900-08-40-601-235-00
PERSONAL PROPERTY

2016 AV from \$3,184,034 to \$3,280,208 TV from \$3,184,034 to \$3,280,208

2017 AV from \$3,184,000 to \$3,275,121 TV from \$3,184,000 to \$3,275,121

2018 AV from \$ 264,500 to \$ 348,000 TV from \$ 264,500 to \$ 348,000

Evart Township, Osceola County

154-18-0977 DENNIS, GERALD & JUDITH 03-550-016-00
REAL PROPERTY

2016 AV from \$25,500 to \$28,525 TV from \$22,214 to \$24,620

2017 AV from \$37,600 to \$30,802 TV from \$22,413 to \$24,842

2018 AV from \$31,100 to \$34,875 TV from \$22,883 to \$25,364

City of Ann Arbor, Washtenaw County

154-18-1068 BODY CONSCIOUS LLC, 09-90-00-081-648
PERSONAL PROPERTY

2016 AV from \$0 to \$1,100 TV from \$0 to \$1,100
2017 AV from \$0 to \$1,600 TV from \$0 to \$1,600
2018 AV from \$20,000 to \$1,700 TV from \$20,000 to \$1,700

It was moved by Kutschman, supported by Khouri, and approved to **postpone** the following MCL 211.154 petition **until May 13, 2019**. (Item 16 on agenda)

City of Jackson, Jackson County

154-18-0935 BREINING, TODD 2-006900000
REAL PROPERTY

2017 AV from \$0 to \$70,000 TV from \$0 to \$70,000

It was moved by Kutschman, supported by Khouri, and approved to postpone the following MCL 211.154 petition **until June 11, 2019**. (Item 16 on agenda)

Evart Township, Osceola County

154-18-0983 BROWN, GERY 03-403-097-00
REAL PROPERTY

2016 AV from \$79,700 to \$100,454 TV from \$69,808 to \$84,353
2017 AV from \$83,600 to \$105,677 TV from \$70,436 to \$85,112
2018 AV from \$85,900 to \$112,051 TV from \$71,915 to \$86,900

154-18-0988 GILIO, FRANK & DEANNA 03-150-011-00
REAL PROPERTY

2016 AV from \$55,200 to \$60,103 TV from \$46,773 to \$50,847
2017 AV from \$60,200 to \$65,403 TV from \$47,193 to \$51,305
2018 AV from \$67,900 to \$74,049 TV from \$48,184 to \$52,382

It was moved by Kutschman, supported by Khouri, and unanimously approved to **amend** the following MCL 211.154 petitions. (Item 16 on agenda)

City of Southfield, Oakland County

154-18-0954 ESPECIALLY FOR KIDS PC, 76-99-76-376-314
PERSONAL PROPERTY

2017 AV from \$38,770 to \$49,050 TV from \$38,770 to \$49,050
2018 AV from \$75,840 to \$94,400 TV from \$75,840 to \$94,400

City of Wixom, Oakland County

154-18-1063 J&B MEDICAL SUPPLY CO, 96 99-00-007-048
PERSONAL PROPERTY

****This was also a concurrence.**

2018 AV from \$200,910 to \$224,870 TV from \$200,910 to \$224,870

City of Plymouth, Wayne County

154-18-0801 BENINTENDE, ROBERT & KIM 49-010-06-0008-000
REAL PROPERTY

****This was also a concurrence.**

2018 AV from \$319,500 to \$340,500 TV from \$319,500 to \$340,500

It was moved by Kutschman, supported by Khouri, and approved to adopt all other MCL 211.154 petitions. (Item 16 on agenda) ([See attached link for file identification](#))

Public Comment (Item 17 on agenda):

Doug Bontekoe appeared on behalf of MCL 211.154 petition 154-18-1071 and his omitted property. Mr. Bontekoe asked questions regarding the Commission's decision concerning his petition and the next steps he would take. The Commission indicated to Mr. Bontekoe he would be able to appeal the Commission's determination to the Michigan Tax Tribunal within 35 days of the date of issuance of the order.

Stacy Berndt appeared on behalf of MCL 211.154 petition 154-18-0818 South Shore Tool & Die. Ms. Berndt was requesting further explanation regarding the ruling of the Commission's decision. The Commission indicated to Ms. Berndt she would be able to appeal the Commission's determination to the Michigan Tax Tribunal within 35 days of the date of issuance of the order.

It was moved by Kutschman, supported by Khouri, and approved Bulletin 4 of 2019 1st Quarter Certified Interest Rates. (Add on to agenda)

The next Commission meeting will be held May 13, 2019, at the Okemos Conference Center in the Okemos A & B Rooms, 2187 University Park Drive, Okemos.

It was moved by Kutschman, supported by Khouri, and approved to adjourn the meeting of the State Tax Commission at 1:01 p.m.

DATE TYPED: April 9, 2019

DATE APPROVED: May 13, 2019

**Nick A. Khouri, Chair
State Tax Commission**

**W. Howard Morris, Member
State Tax Commission**

**Leonard D. Kutschman, Member
State Tax Commission**

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