



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 Ballroom
2187 University Park Drive, Okemos, Michigan**

And

Virtual Meeting via Microsoft Teams

**Tuesday, April 5, 2022
9:00 a.m.**

**Peggy L. Nolde, Chairperson
W. Howard Morris, Member STC
Mark A. Davidoff, Member STC**

**David A. Buick, 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 Davidoff, supported by Morris, and approved to adopt the minutes of February 15, 2022, with the amendment of adding the names and representation of those who appeared or were heard by the Commission regarding their MCL 211.154 petition. (Item 1 on agenda)

Public Comment – Agenda Items 3 through 10 Only (Item 2 on agenda):

Jacob Thurston spoke before the Commission on behalf of the City of Dearborn as the assessor regarding Agenda Item #9, Exemptions Special Items Agenda. Mr. Thurston stated the following: I would like to discuss the IFT being considered for Ground Effects LLC within our community. First off, I would like to thank you for the opportunity to appear today before you. The City of Dearborn disagrees with the Department of Treasury staff recommendation that the Commission approve the Ground Effects LLC IFT application and the appeal be overturned. The City of Dearborn strongly opposes granting Ground Effects LLC IFT exemption as evidenced by our city council denying the request. We understand the STC considered the application meets MCL 207.557(1) and therefore qualifies for the exemption. However, MCL 207.556(1) specifically provides the local unit of government may either approve or disapprove in accordance with Section 9. MCL 207.559(2) provides that the local unit of government shall not approve an application and the Commission shall not grant an industrial facilities exemption certificate unless the applicant complies with all the following. Item E is the item I would like to highlight here. It says completion of the facility is calculated to and will at the time of issuance of

the certificate have the reasonable likelihood to create employment, retain employment, prevent a loss of employment, or produce energy in the community in which the facility is situated. As such, we strongly disagree with the STC position. The reasons articulated in the council resolution are directly reported in plain language in the statute specifically sub paragraph E. It is inappropriate for the STC to supplement its own judgement as to whether the application meets the above threshold in place of the local unit of government especially when the plain language of the statute gives that decision to the local government. Furthermore, the Dearborn City Council was not persuaded, the IFT abatement requested by Ground Effects LLC was justified for many additional reasons including concerns about proposed low wages planning to be offered, the fact that Ground Effects LLC is currently operating within the City of Dearborn in a different location, so the tax abatement is not necessary to attract this business to the community. The thirty new jobs that are planned to be filled will not occur for several years. It may take employees away from other local Dearborn businesses, supporting the testimony from UAW Local 600 members. Conflicting information was presented on whether Ground Effects uses hazardous chemicals and materials as part of its production. Concerned residents objected to this business receiving a better tax incentive than the residential homeowners. Considering all this I request the STC deny the appeal or perhaps table this agenda item for a future meeting while Ground Effects LLC provides a response to the many unanswered questions and concerns raised by Dearborn City Council. Ground Effects LLC has not approached the new city administration at all to discuss our concerns. The lack of deference the STC is giving to local jurisdictions is a significant departure from past STC precedent. Ground Effects LLC has broke ground and is currently operating before the abatement has even been approved. This shows the abatement is unnecessary. Furthermore, the first notices of this meeting the City of Dearborn received was last Friday, April 1. I was told upon my request to submit evidence to be considered that I needed to submit that evidence thirty days ahead of the meeting. How could I have done this when I was given two days' notice? The City was not afforded an opportunity to submit significant evidence about this agenda item in multiple formats including audio, video of our council meetings, and documentation. We would certainly like to know other instances where the IFT abatement decision of the local unit has been overturned by the STC and please provide us with that information. Please know the City of Dearborn stands ready to defend our initial decision on this matter and will appeal any decision contrary to the will of Dearborn City Council. I believe City of Dearborn Mayor Hammoud is also available for today's meeting by Microsoft Teams and may provide further comment. Thank you.

It was moved by Morris, supported by Davidoff, and unanimously approved the 2022 Values for DNR PILT Properties. (Item 3 on agenda)

It was moved by Davidoff, supported by Morris, and unanimously approved to adopt the staff recommendation regarding the 2022 Cap Rates for Railroads and Carlines for State Assessed Property. (Item 4 on agenda)

The Commission reviewed the staff recommendation regarding the complaint dated December 15, 2021, filed against assessor Randy Thompson that had proceeded to investigatory review pursuant to the State Tax Commission's Complaint Process Regarding Assessment Administration Practices approved by the Commission on December 16, 2015. Upon review of the response provided by the assessor, staff determined that no further action was necessary and recommended the Commission dismiss the complaint. It was moved by Morris, supported

by Davidoff, and unanimously approved to adopt the staff's recommendation to take no further action and dismiss the complaint against Randy Thompson. (Item 5 on agenda)

It was moved by Davidoff, supported by Morris, and unanimously approved to adopt the memorandum on Updated Guidance Regarding Valuation and Assessment of Photovoltaic (Solar) Electric Generation Systems. (Item 6 on agenda)

It was moved by Morris, supported by Davidoff, and unanimously approved to adopt the staff recommendation on the Recertifications and New Certifications of Computerized Tax Rolls for the following: (Item 7 on agenda)

These certifications will expire on May 1, 2025.

New Certifications:

Eaton County

Eaton Township

Recertifications:

Alcona County

Alcona Township

Bay County

City of Essexville

Hampton Township

Dickinson County

Breitung Township

Genesee County

Argentine Township

City of Burton

Clayton Township

City of Clio

City of Davison

Flint Township

City of Grand Blanc

Mount Morris Township

Mundy Township

Thetford Township

Vienna Township

Gogebic County

City of Ironwood

Ironwood Township

City of Wakefield

Wakefield Township

Watersmeet Township

Hillsdale County

City of Hillsdale

Houghton County

Chassell Township

Ingham County

Meridian Township

Isabella County

City of Clare

Coldwater Township

Deerfield Township

Denver Township

Gilmore Township

Isabella Township

Lincoln Township

City of Mount Pleasant

Nottawa Township

Village of Rosebush

Village of Shepherd

Sherman Township

Vernon Township

Jackson County

Leoni Township

Rives Township

Kent County

Algoma Township

Byron Township

City of Walker

Lapeer County

Arcadia Township

Deerfield Township

Metamora Township

Oregon Township

Lenawee County

City of Tecumseh

Livingston County

City of Brighton

Conway Township

Green Oak Township

Tyrone Township

Macomb County

Armada Township

Bruce Township

Chesterfield Township

Clinton Township
City of Eastpointe
City of Fraser
Village of Grosse Pointe Shores
Harrison Township
Lenox Township
Macomb Township
City of Mount Clemens
City of New Baltimore
Village of New Haven
Ray Township
Richmond Township
City of Richmond
Shelby Township
City of St. Clair Shores
City of Sterling Heights
City of Utica
City of Warren
Washington Township

Mason County

City of Ludington
Summit Township
Victory Township

Mecosta County

Aetna Township
Chippewa Township
Deerfield Township
Green Township
Hinton Township
Martiny Township
Mecosta Township

Menominee County

Cedarville Township
Menominee Township

Midland County

City of Coleman
Jasper Township
City of Midland

Monroe County

Erie Township
City of Monroe

Newaygo County

Ashland Township

Oceana County

Crystal Township
Ferry Township
Greenwood Township

Osceola County

Rose Lake Township

Otsego County

Dover Township
Livingston Township

Ottawa County

Grand Haven Township
Holland Township
City of Hudsonville
Jamestown Township
Wright Township

Saginaw County

Bridgeport Township
City of Saginaw

Shiawassee County

City of Owosso

Washtenaw County

Dexter Township

Wayne County

Village of Grosse Pointe Shores

It was moved by Davidoff, supported by Morris, and unanimously approved to adopt the staff recommendation on the Recertifications and New Certifications of Computerized Assessment Rolls for the following: (Item 8 on agenda)

These certifications will expire on May 1, 2025.

New Certifications:

Genesee County

Forest Township

Muskegon County

City of Montague
Ravenna Township

Shiawassee County

City of Owosso

Recertifications:

Macomb County

Harrison Township

Ottawa County
Grand Haven Township

Wayne County
City of Dearborn
City of Romulus

Gladwin County
Hay Township
Sherman Township

It was moved by Davidoff, supported by Morris, and unanimously approved to adopt the staff recommendations on the **Special Items Exemptions Agenda**. (Item 9 on agenda) ([Special Items Exemptions Agenda Link](#))

It was moved by Morris, supported by Davidoff, and unanimously approved to adopt the staff recommendations on the **Exemptions Agenda**. (Item 10 on agenda) ([Exemptions Agenda Link](#))

It was moved by Davidoff, supported by Morris, and unanimously approved to adopt the MCL 211.154 petitions on the **Concurrence Agenda**. (Item 11 on agenda) ([Concurrence Agenda Link](#))

At 9:23 a.m. the Commission approved to go into recess to await the 9:30 a.m. scheduled MCL 211.154 Non-Concurrence Agenda hearings.

The Commission came back into session at 9:30 a.m. for their scheduled MCL 211.154 Special Items and Non-Concurrence Agenda hearings and the remaining items on their agenda.

William Servial and Jeff Kohlitz spoke on behalf of the Walter F. Bruce VFW Post #1146 regarding MCL 211.154 Special Items Agenda petition 154-22-0004.

Randy Soumia spoke on behalf of Happy's Pizza Corporation; HP 10 Mile & Telegraph regarding MCL 211.154 NonConcurrence Agenda petition 154-21-0719.

It was moved by Morris, supported by Davidoff, and unanimously approved to adopt the staff recommendations on the MCL 211.154 **Special Items Agenda**. (Item 12 on agenda) ([Special Items Agenda Link](#))

It was moved by Davidoff, supported by Morris, and unanimously approved the following MCL 211.154 petition as a **concurrence**, initially noticed as a non-concurrence. (Item 13 on agenda)

City of Hudsonville, Ottawa County

154-21-0801 TOPCRAFT METAL PRODUCTS INC
IFT PERSONAL PROPERTY

70-57-72-109-155

2019 AV from \$58,000 to \$0 TV from \$58,000 to \$0

It was moved by Davidoff, supported by Morris, and unanimously approved to adopt the staff recommendations on all other MCL 211.154 **Non-Concurrence** Agenda petitions. (Item 13 on agenda) ([NonConcurrence Agenda Link](#))

Public Comment (Item 14 on agenda):

No member of the public wished to speak at public comment.

Other Items for Discussion (Item 15 on agenda):

Executive Director David Buick stated the following: The CAMA Data Standards Committee members will be meeting after the STC Meetings in June and November. We have been working with both the Equalization Directors and the Assessors Associations. They have some additional things they would like to see standardized in our CAMA Data Standards. The whole process is moving forward well. The Committee members are currently: Tom Szur, with BS&A software; Stacey Kaake, City of Flint Assessor; Tony Meygaard, Equalization Director and President of the Michigan Assessors Association; Chuck Zemla, assessor for multiple units; Charles Ericson, City of Detroit assessor; Terry Schultz, Equalization Director for Oakland County; Matt Woolford, Equalization Director for Allegan and Kent Counties; Laurie Spencer, Equalization Director and assessor; Will Griffin, assessor for City of Auburn Hills, China and East China Townships; and Ted Droste, assessor for Delta and Lyons Townships. We also have other attendees and staff that are involved in assessing and equalization. We will be moving forward with the committee members and the plan is to look at some of the requests that are being made now and get those requests back out to the assessors and equalization directors through their respective associations and come back together in October or November and finalize those for a recommendation to the Commission in December.

We are currently working on getting members for the Pipeline Ad Hoc Committee. It has proven to be a little more difficult to find members. If anybody is aware of people who would like to be involved in that committee, please have them contact me. We will be looking at the pipeline factors and whether they are needed or not. The committee should be up and running sometime in May. We do have a couple of leads and are still working on it.

The last thing I wanted to update you on is the MEG System. The MEG System is the Michigan Equalization Gateway which is our new system for tracking data for the Equalization process. In the past the equalization directors did their work and then field staff would go out and create these huge spreadsheets that were kept on their laptops or on portable hard drives. We had 83 of these monster spreadsheets. Now we have gone to a cloud base system where the equalization directors are uploading the information and then staff are doing all the analytics and everything right on the MEG System. It is all online and it is working well. The equalization directors have been fantastic in working with us working through the bugs. When everything is finished and staff bring the preliminary state equalization recommendation, it will all be designed through the MEG System. The system is working well, and staff have been working diligently on it and believe it will work out well in the end. We will be looking at additional enhancements to the system with the equalization directors as we move forward.

Chairperson Nolde stated the following: Thank you and staff for working on the MEG System. I know the amount of work that goes into being that equalization director and handling all of this.

Seeing it move forward I really appreciate all that you do, the directors and the assessors. There are some big jobs out there. Thank you for all your diligence on moving forward and better in the future.

The May 9, 2022, Commission meeting is scheduled to take place at the Okemos Conference Center in Okemos A, B & C, 2187 University Park Drive, Okemos. The meeting will also be available virtually via Microsoft Teams. The agenda along with a video and audio link to the virtual meeting will be posted on the State Tax Commission's website at www.michigan.gov/statetaxcommission one week prior to the meeting.

It was moved by Davidoff, supported by Morris, and unanimously approved to adjourn the meeting of the State Tax Commission at 10:11 am.

DATE TYPED: April 6, 2022

DATE APPROVED: May 9, 2022

**Peggy L. Nolde, Chairperson
State Tax Commission**

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

**Mark A. Davidoff, Member
State Tax Commission**