



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY  
LANSING

GRETCHEN WHITMER  
GOVERNOR

RACHAEL EUBANKS  
STATE TREASURER

**MINUTES OF THE MEETING OF THE STATE TAX COMMISSION**

**For**

**Tuesday, August 20, 2024**

**Okemos Conference Center, Okemos Ballroom  
2187 University Park Drive, Okemos, Michigan**

**And**

**Virtual Access via Microsoft Teams**

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

**Joycelyn Isenberg, State Administrative Manager  
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 Nolde, and unanimously approved to adopt the minutes of June 11, 2024. (Item 1 on agenda)

Public Comment – Agenda Policy Items 4-26 Only (Item 2 on agenda):

Seth O’Laughlin spoke before the Commission regarding Agenda Items #18, 19, 20 & 21, Official Orders regarding NWM Organic Farms, LLC, 41160 Executive Drive, LLC, North Country Collection, LLC and IIP-MI2, LLC. Mr. O’Laughlin stated the following: I am here on behalf of Hallahan & Associates PC who represents the various municipalities involved in the marijuana orders before the Commission today. I am here before the Commission today for all the municipalities involved in items 18 through 21. Yesterday each municipality filed an application for delayed leave to appeal at the Michigan Court of Appeals contesting the Circuit Courts decisions in each case. When the taxpayer’s attorney requested that this Commission rule on the remanded note that no appeal had been taken and that was part of the basis for asking this Commission to rule or process the Circuit Courts decision. As an appeal has now been taken yesterday without a lot of time for the Commission to process, I acknowledge, my clients are requesting that those matters be tabled until the next meeting to allow time for the appeals to be processed. If leave is granted and the appeal continues, we would ask that it be continued to be tabled but acknowledging that the appeals were taken yesterday and that this Commission has not had a lot of time to address them or discuss them with legal counsel. I think the best course of action would be to table those matters to

the next meeting to allow for a full and fair opportunity to the appeal. Unless the Commission has any questions that is all I have for today. Thank you.

Richard Barr from Honigman LLP, Hassan Beydoun from the City of Detroit, and Seth Herkowitz from Hunter Pasteur Oxford Capital spoke before the Commission regarding Agenda Item #25 Exemptions Special Items Agenda. Mr. Barr stated the following: I will try to make this brief we are here on agenda item #25 on two of the special items agenda matters C2024-006 and C2024-007 those are PA 210 of 2005 from the City of Detroit for Oxford Perennial Corktown PropCo, LLC and Godfrey Detroit PropCo, LLC. We are here to request that the Commission grant and issue the two certificates that are on your agenda but to grant those approvals with a different effective date than what is indicated on the agenda. The request that we are making is that you issue them with an effective date for the Oxford matter C2024-006 with an effective date of December 31, 2022 and for the other matter Godfrey C2024-007 with an effective date of December 31, 2023. The reason that these items are on your agenda has to do with an oversight that happened in 2020 and another oversight in 2021. The City of Detroit not timely submitting a PA 210 abatement request that had been processed through the city, approved by the city council, approved by the mayor and inadvertently not sent in on a timely basis by the clerk's office for a variety of reasons. It started with the COVID procedures that were going on and the complications in processing things in the City of Detroit during that time period. A quick overview that is on the board indicating the location on these properties are in Old Town area near the old Tiger Stadium in Detroit. This is part of the over one-billion-dollar investment that has been made in the area led by Ford Motor Company and Michigan Central and led by the two entities or the applicants who invested over 100 million dollars now in accommodations of hotels, apartments, townhomes, and a parking garage. In 2020 the first PA 210 application was submitted to the City Clerk followed all the procedures of PA 210, submitted and approved by the City Council, in November of 2020. As we have come to learn through our investigation because it was approved by the City Council after the October 31 cut off for submission of applications to receive Commission approval for consideration that year the clerk inadvertently did not package that with the normal large group of applications set up in October. We believe they intended to set it up with the next year's set of applications which we all know is not the way it should be done. That mistake or oversight was not discovered unfortunately until the tax bills came out with the first full assessment for the building and the tax bills were roughly more than triple of what they were expected to be because of the lack of application of the PA 210 abatement. That additional \$700,000 on the tax bill got the attention of the property owner as you can well imagine. Around the same time, we also discovered that the other applications that were filed in 2021 for the apartment building and townhomes on one part and a separate one a parallel one almost identical for the nearby parking garage those were both approved by the City Council in the ordinary course in July of 2021. But because they looked almost identical, and they have the same applicant name and if you did a quick look at it they looked 99% identical at least on the form. We believe the clerk's office got confused and thought that they had sent up the applications to be approved not understanding on the same day the City Council approved two substantial identical applications and the clerk's office again for reasons that are going to be cured the clerk sent one of them up and the Commission acted upon that and approved that in 2023 after some internal delay that did not cause any harm. Because of the timing of when one of the buildings got completed there was no harm no foul on that issue. But unfortunately, the application for the parking garage was not submitted until July of 2024. Because of that

oversight by the city clerk the tax bill coming out for the parking garage also was significantly greater than what was expected. Those two oversights and the financial implication of that is a multi-billion-dollar burden on these projects and related investments that Mr. Herkowitz's companies are committed to and have delivered and provided every single community benefit negotiated with the City and the community and an investment of well over 100 million dollars. As you can imagine when we discovered this which largely was because the tax bill's set off the alarm bells, we started the process of talking to Treasury staff to figure out what could we do to try and prevent this injustice to the developers and the community and frankly to prevent these properties from being put into financial hurt. That is why we are here today to request your support. We understand there is some precedent in the past for oversights being cured. This is a situation where we have done everything possible since we discovered the error. We think we have been timely. We have collaborated with the city, with Mr. Beydoun and his team we have done everything that we think that is within our power to make this work. We are hoping you can help by approving the effective dates as we have suggested in lieu what is on your agenda. I will pause at this point, and I know Mr. Beydoun would be happy to answer comments and add more information and Mr. Herkowitz as well.

Mr. Beydoun stated the following: I will start by saying first and foremost that just the simple fact that the city here screwed up. There is really no question about it there is no fault of the developers here. It was a perfect storm frankly of an inadvertent error in the clerk's office coming during a pandemic and under a system that was overwhelmed by an increased larger development project. Without sufficient checks or processes in place to quickly uncover any mistakes. More specifically there were two causes that I believe caused this problem from the cities perspective both are which very solvable. First and foremost, the city clerk's office did not have a sufficient indexing system in place to allow for multiple certificate petitions to be individually tracked even if they are part of a larger project. Second the city's project staff should not have passively relied on the clerk's office to complete its tasks. It should have instead utilized more communication and coordination with the STC staff frankly to verify that the clerk is properly submitting locally approved abatements. So, what is being done to address this moving forward, the mayor's office, the assessor and other city officials have been meeting with the clerk's office and other stakeholders to develop and implement two process improvements to prevent these kinds of mistakes from occurring again in the future. First the city clerk has implemented a new petition numbering system that allows for multiple certificate petitions to be individually tracked even if they are part of a larger project. For example, this system will note things like the chronological number of submissions, the alphabetical sequency of individual petitions within a larger developmental project and other indicators to more clearly differentiate materials that are in front of the clerk. Second, the City of Detroit staff and STC staff have agreed that the city will periodically send a full list of all locally approved abatements to the STC staff. In the event an application on the said list is not received by the STC, the STC staff will alert the City of Detroit staff who will then coordinate with the clerk's office to ensure that the missing materials are properly delivered. These are just the two immediate steps we have taken. We are strongly committed at the city along with my partners at the DTC to close any process gaps as well as to support the work of developers in the city as well as the STC. With that I will also point out that although it occurred prior to me joining the city my team has taken full responsibility to make sure this never happens again and these process improvements we do with a lot of confidence that this is going to be the case. More so to the extent that other issues are out there, and I am sure there are other gaps in our processes, and we are again strongly committed to filling

those. Although the City doesn't have the authority to fix its screw up with this particular developer and project that opportunity rests with this body alone. We respectfully urge you to utilize your broad discretion and grant what is being requested by the petitioners.

Mr. Herkowitz stated the following: Just quickly as the developer I think Mr. Beydoun and Mr. Barr did an excellent job describing and giving the proper background. I just want to speak as the developer we really feel we created a model for large-scale urban redevelopment through private public partnership. We have delivered on our commitments we have created the benefits that were promised. We are here simply and respectfully asking you to remedy this administrative error that if not remedied really has severe consequences for the health and liability of our project. There are many affected stakeholders beyond just us as the sponsor but that's our equity partners, our lenders, quite frankly the community, the region and the State. We are here respectfully seeking to have you issue the PA 210 certificates effective as 12/31/22 for Oxford the parking garage as Richard had mentioned and 12/31/23 for the Godfrey Hotel. We believe that is consistent with the intent of city council per their resolution. We appreciate your attention to this really critical and important matter from our perspective. Thank you.

It was moved by Morris, supported by Nolde, and unanimously approved to cancel the September 10, 2024 State Tax Commission Meeting. (Item 3 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt staff's recommendations for 2024 classification appeals 24-001 through 24-005, 24-025, 24-027 and 24-029. ([August 20, 2024 Classification Appeal Link](#)) (Item 4 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the Certification Level Guidelines for Townships, Cities and Counties for 2025. The Commission approved that County certification levels will be based on the highest 2024 certification level requirement of the local units within each County. Two important notes to consider: (1) If a Township or City required an MMAO Level (4) certification for 2024, the local unit will continue to require an assessor of record with an MMAO Level (4) certification until the local unit can show a decrease in SEV for two consecutive years and (2) The value of wind turbines and photovoltaic (solar) electric generation systems in one or more units may be removed from the total SEV used to calculate required certification level requirements by submitting Form 4742 to request a waiver no later than October 31, 2024. ([Townships and Cities Guidelines](#)) ([County Guidelines](#)) (Item 5 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved Bulletin 7 of 2024 Assessor Certification. Three important notes to remember: (1) In order to recertify for 2026, MCAO, MAAO and MMAO assessors must complete the 2025 State Tax Commission Updates Course in addition to the 16 hours of continuing education. (2) Assessors can only complete eight of the required 16 hours of continuing education through approved online courses. (3) In order to recertify for 2026 Michigan Certified Assessing Technicians must complete four hours of continuing education either through a continuing education course approved by the STC for assessing officers or an STC online continuing education course of their choice (excluding the Learning the HP12C Calculator course). (3) If payment in full is not made by December 31, 2025, a written delinquency notice will be provided to the assessing officer or technician. If the full payment and late fee are not received (postmarked)

by the Commission by January 31, 2026, the assessing officer or technician will be referred to the Assessor Discipline Advosry Committee. (Item 6 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved Bulletin 8 of 2024 Assessor Certification Level Requirements with an important note that the STC will consider certification level waiver requests specific to an assessor of record if the installation of a wind turbine or photovoltaic (solar) electric generation systems increases the local unit's certification level requirement and impacts the assessing officer's ability to continue to serve as the assessor of record for that local unit by filing Form 5836 before October 31, 2024. (Item 7 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved Bulletin 9 of 2024 2<sup>nd</sup> Quarter Certified Interest Rates. (Item 8 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved Bulletin 10 of 2024 Random Week for Qualified Business. (Item 9 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved the revisions of the following 2025 Personal Property Forms: (Item 10 on agenda)

- Form 632 – 2025 Personal Property Tax Statement
- Form 633 – 2025 Electric Distribution Cooperative Personal Property Statement
- Form 2698 – 2025 Idle Equipment, Obsolete Equipment & Surplus Equipment Report
- Form 2699 – 2025 Statement of “Qualified Personal Property” by a “Qualified Business” (as of 12-31-24)
- Form 2807 – 2025 Statement of “Qualified Personal Property” by a “Qualified Business” (For Additional Reporting)
- Form 3589 – 2025 Cable Television and Public Utility Personal Property Statement (as of 12-31-24)
- Form 3595 – 2025 Itemized Listing of Dail Rental property (as of 12-31-24)
- Form 3612 – 2025 Itemized Listing of Dail Rental Property (as of 12-31-24) (For Additional Reporting)
- Form 3966 – 2025 Taxpayer Report of Personal Property “Move-Ins” of Used Equipment (as of 12-31-24) Occurring During 2024
- Form 4452 – 2025 Cellular (Wireless) Site Equipment Personal Property Report
- Form 4798 – Automative Manufacturing Equipment Personal Property Report

It was moved by Morris, supported by Nolde, and unanimously approved the revisions of the following 2025 State Assessed Forms: (Item 11 on agenda)

- Form 1027 – State Assessed Car Line
- Form 1028 – State Assessed Railroads
- Form 1029 – State Assessed Telephone Companies

It was moved by Morris, supported by Nolde, and unanimously approved the revision of Form 2793 – 24- and 12-Month Sales Ratio Study for Determining the 2025 Starting Base. (Item 12 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved the revision of the 2025 Form 4606 – Electronic Signature Declaration for Annual State Equalization Reports. (Item 13 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendation regarding Ontonagon County’s request to Opt Out of having a County Designated Assessor and to be effective July 1, 2024, in accordance with the interlocal agreement. (Item 14 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the revised CAMA Data Standards. (Item 15 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the Legislative Report for Neighborhood Enterprise Zone Homestead Exemptions. (Item 16 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the list of OPRA Qualified Local Government Units. (Item 17 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to table agenda Item 18 – Official Order Regarding NWM Organic Farms, LLC, Item 19 – Official Order Regarding 41160 Executive Drive, LLC, Item 20 – Official Order North Country Collection, LLC, and Item 21 – Official Order Regarding IIP-MI 2, LLC until further guidance is received from the Court of Appeals on the classification of the parcels. (Item 18, 19, 20, & 21 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the official order to have the Office of Revenue and Tax Analysis within Treasury issue reimbursement to Brighton Township for parcel 4712-99-200-653 pursuant to the June 11, 2024 order and cancel its order of May 13, 2024 and revised order of May 28, 2024 ordering reimbursement to the City of Brighton pursuant to PA 211 of 2023. (Item 22 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendation on the New Certifications and Re-certifications of Computerized Tax Rolls for the following: (Item 23 on agenda)

These certifications will expire on **May 1, 2027**.

**New Certifications:**

Houghton County

Stanton Township

Mason County

Amber Township

Ontonagon County

Village of Ontonagon

**Recertifications:**

Genesee County

Atlas Township

Kalamazoo County

City of Galesburg

City of Kalamazoo

Kent County

Grand Rapids Charter Township

Mackinac County

St. Ignace Township

Newaygo County

Denver Township

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendation on the New Certifications and Re-certifications of Computerized Assessment Rolls for the following: (Item 24 on agenda)

These certifications will expire on **May 1, 2027**.

**New Certifications:**

Keweenaw County

Grant Township

Sherman Township

Lake County

Sweetwater Township

Livingston County

Putnam Township

Washtenaw County

City of Saline

**Recertifications:**

Calhoun County

City of Battle Creek

Kalamazoo County

City of Galesburg

City of Kalamazoo

Washtenaw County

Ypsilanti Township

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendations on the revised **Exemptions Special Items Agenda** except for applications C2024-006 and C2024-007. (Item 25 on agenda) ([Exemptions Special Items Agenda Link](#))

It was moved by Morris, supported by Nolde, and unanimously approved to allow for a prior effective date of December 31, 2022, for Commercial Rehabilitation Act Application C2024-006 for Oxford Perennial Corktown PropCo, LLC in the City of Detroit. (Item 25 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to allow for a prior effective date of December 31, 2023, for Commercial Rehabilitation Act Application C2024-007 for Godfrey Detroit PropCo, LLC in the City of Detroit. (Item 25 on agenda)

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendations on the revised **Exemptions Agenda**. (Item 26 on agenda) ([Exemptions Agenda Link](#))

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendations on MCL 211.154 petitions on the **Concurrence Agenda** with the addition of 154-24-0176 and the postponement of 154-24-0092. (Item 27 on agenda) ([Concurrence Agenda Link](#))

Mir Mohsin Raza spoke on behalf of East Lansing Advanced Dental PLLC and Cathy Groce spoke on behalf of the City of East Lansing as the Deputy Assessor regarding MCL 211.154 NonConcurrence Agenda petition 154-24-0016.

Seth O’Laughlin spoke on behalf of the City of Lincoln Park as their attorney regarding MCL 211.154 NonConcurrence Agenda petition 154-24-0083.

It was moved by Morris, supported by Nolde, and unanimously approved to **postpone** the following MCL 211.154 petitions, initially noticed as a non-concurrence. (Item 28 on agenda)

City of East Lansing, Ingham County

**154-24-0016** East Lansing Advanced Dental PLLC dba East Lansing Modern Dental 33-20-90-55-020-049

2023 AV from \$25,000 to \$232,000 TV from \$25,000 to \$232,000  
2022 AV from \$11,300 to \$267,100 TV from \$11,300 to \$267,100

Grand Haven Charter Township, Ottawa County

**154-24-0047** Bolger, Loretta 16-70-07-13-100-002

2024 AV from \$147,700 to \$605,500 TV from \$60,307 to \$561,466  
2023 AV from \$133,000 to \$558,100 TV from \$59,080 to \$534,730  
2022 AV from \$102,400 to \$555,400 TV from \$56,267 to \$509,267

It was moved by Morris, supported by Nolde, and unanimously approved the following MCL 211.154 petition as a **concurrence**, initially noticed as a non-concurrence. (Item 28 on agenda)

City of South Lyon, Oakland County

**154-24-0059** Edward D Jones & Co 80-99-00-023-019

2023 AV from \$0 to \$6,710 TV from \$0 to \$6,710



It was moved by Morris, supported by Nolde, and unanimously approved to **withdraw** the following MCL 211.154 petition, initially noticed as a non-concurrence. (Item 28 on agenda)

City of Lincoln Park, Wayne County

**154-24-0083** EZ Landscaping & Paving LLC

45-999-00-7184-000

2023 AV from \$0 to \$126,300 TV from \$0 to \$126,300

2022 AV from \$0 to \$ 48,000 TV from \$0 to \$ 48,000

It was moved by Morris, supported by Nolde, and unanimously approved to adopt the staff recommendations on MCL 211.154 petitions on the revised **Non-Concurrence Agenda**. (Item 28 on agenda) ([Non-Concurrence Agenda Link](#))

Public Comment (Item 29 on agenda):

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

The October 22, 2024, 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](http://www.michigan.gov/statetaxcommission) one week prior to the meeting.

It was moved by Morris, supported by Nolde, and unanimously approved to adjourn the meeting of the State Tax Commission at 9:56 am.

**DATE TYPED: August 21, 2024**

**DATE APPROVED: October 22, 2024**

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

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