



The City of Traverse City

## Communication to the City Commission

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FOR THE CITY COMMISSION MEETING OF APRIL 16, 2018

DATE: APRIL 12, 2018

FROM: <sup>*MC*</sup>MARTY COLBURN, CITY MANAGER

SUBJECT: 2017 ANNUAL REPORT FROM THE ASSESSING DEPARTMENT

At the meeting on Monday evening, City Assessor Polly Cairns will present the Commission with the 2017 Annual Report of the Assessing Department.

MC/kez

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copy: Polly Cairns, City Assessor



# Assessing Department

City of Traverse City

March 2018

## City Assessor Web page

[www.traversecitymi.gov/assessor.asp](http://www.traversecitymi.gov/assessor.asp)

## Contact us:

231-922-4450

[tcassessor@traversecitymi.gov](mailto:tcassessor@traversecitymi.gov)

## Office Hours:

Monday - Friday

8:00 a.m. - 5:00 p.m.

Excluding most Federal Holidays

## City of Traverse City Tax Parcel Viewer link:

<https://tcgis.traversecitymi.gov/TaxParcelViewer/s2.html?app=apps2/finder>

## Assessing Department staffed by:

Polly (Watson) Cairns, City Assessor \* MMAO & Certified General Appraiser

David Brown, Deputy Assessor \* MAAO

Erik Sandy, Senior Assessor \* MCAO

Dan Tollefson, Assessment Clerk/Appraiser I \* MCAO



Left to right – Dave, Polly, Erik, & Dan

**Mission Statement:** To provide professional assessment services in compliance with local and state laws and in accordance with standards established by the State Tax Commission.

City Assessing Department is entrusted with the responsibility of maintaining the City's assessment rolls for all assessable property, both real and personal, located within the City limits for Grand Traverse & Leelanau Counties.

Assessment and taxable value determinations are made in accordance with the requirements of Chapter 211 of the Michigan Compiled Laws (MCL), otherwise known as the "General Property Tax Act" (often referred to as the GPTA).

Assessing Department is responsible for inventory of all property within the City and for valuation and maintaining property record information of all property both real property (land and buildings) and personal (tangible). Operating under the requirements of the General Property Tax Law, which was originally P.A. 206 of 1893; Statutes can be found under MCL 211.1 through MCL 211.157.

Department is primarily responsible for performing and maintaining property

assessments for the equitable distribution of property tax burden.

Department compiles the annual assessment roll on which taxes will be levied; maintaining property tax descriptions and maps, processes personal property statements, and conducts field audits of both existing properties and new construction located within the City of Traverse City. In addition, providing the City Treasurer with taxable value on all City properties, used to produce annual tax bills.

- ✓ Establish legal assessment roll and annually site visit 20% property
- ✓ Review and evaluate commercial and industrial property
- ✓ Site visit and review all new construction
- ✓ Continue public education in areas such as non-consideration forms, homestead applications, property transfers and personal property tax law and enhance and increase the understanding of and compliance of the Michigan property tax system as established by State law and City Charter

Local governments receive revenue from a variety of sources including property taxes, permit fees, user charges, and voted millages, including receiving funding from the federal government in the form of grants and from state government in the form of revenue sharing and grants. Property taxes are the largest revenue stream for local government.

## Purpose:

Purpose is to appraise all real and personal property within the City of Traverse City as prescribed by City Charter and State Law. General Property Tax Act [MCL211.1] requires assessments annually of all real and personal property located within each township or city by a certified assessing officer. City of Traverse City requires certification by a Michigan Master Assessing Officer (MMAO – aka Level IV)

City Assessing Department is responsible for maintaining inventory of all property located within the jurisdiction of City of Traverse City. Annually establishing all assessable and taxable property at a legally mandated uniform percentage of market value each year, within 49-50%, for each class of property, as well as Special Act parcels, overall the Department manages approximately 10,000 parcels annually, exchanging combination, split, and new parcels.

Annually staff physically inspects and reviews properties for new construction, sold properties, including maintaining record card data, and updating photos, sketches, and other pertinent property information.

Our goal is to maintain and enhance the public understanding of the taxation process as well as the public dissemination of property data, property tax forms, and the values associated with each parcel. We are continually increasing the availability and ease of on-line information through the City's web site and the tax parcel viewer application.

**Inflation Rate  
Multipliers History  
Implementation of  
Proposal A:**

1995 1.026

1996 1.028

1997 1.028

1998 1.027

1999 1.016

2000 1.019

2001 1.032

2002 1.032

2003 1.015

2004 1.023

2005 1.023

2006 1.033

2007 1.037

2008 1.023

2009 1.044

2010 0.997

2011 1.017

2012 1.027

2013 1.024

2014 1.016

2015 1.016

2016 1.003

2017 1.009

2018 1.021

## Process:

Sales analysis and mapping are created in order to establish area value trends. Vacant land and improved property sales are reviewed to establish area value trends. Sales are also reviewed to establish current economic condition factors (ECF's), a/k/a market adjustment modifiers, for all real property classes - residential, commercial, and industrial properties. Current values are generated for each parcel of property. These values are utilized as the base to generate revenue for Grand Traverse County, Leelanau County, City of Traverse City, TCAPS, TBAISD, Northwestern Michigan College, BATA, the Recreation Authority, the Library, the County Road Commission, and any other authorized millages.

Additionally, Department must meet educational requirements as prescribed by policies of the State Tax Commission, State law, and City Charter as well. Some of these include:

- Meets/exceeds annual state certification educational requirements
- Physically inspects and records all new construction
- Processing of deeds/transfers of ownerships, property transfer affidavits, principal residence exemptions/rescinds, boundary line adjustments/splits, verification of tax/legal descriptions,
- Staff Board of Review meetings
- Defend property assessment appeals

## General Property Tax Act

### General Property Tax Act [MCL211.1]

SEV represents 50% of the "True Cash Value" of a property in the State of Michigan. It is called an equalized value because the assessor has prepared the value based on sales within the city, the county equalization board has made certain that each city and township have assessed the properties at an equal level, and Michigan State Tax Commission has studied and equalized all the counties within the state to ensure equity between them. End result each year is that all properties across the state have the same level of assessment regardless of location. This does not mean that all carry the same SEV, only that SEV of each property is to be at fifty percent of the usual selling price is expected to be.

Until the 1994 passage of the property tax reform ballot proposal, the SEV was the basis of tax bills. Proposal A of 1994 created a new value called the "Taxable Value" (TV) for each property. This value reflects the annual "cap" on assessment increases to five percent or the consumer price index-whichever is lower. While SEV must continue to reflect actual market, the TV is mathematically determined by the capped value, less taxable value of any demolition, plus true cash value of any construction, omitted property, contamination remediation, or any of other changes as defined in current state laws.

### **Taxable Value**

Taxable value refers to a percentage of the assessment according to state-prescribed formula. For 2017 the capped value formula is as follows:

$$\mathbf{2018\ CAPPED\ VALUE = (2017\ Taxable\ Value - LOSSES) \times 1.021 + ADDITIONS}$$

## **General Overview of Assessment Analysis**

### **General Assessment Process**

The Assessing Department is responsible for discovering, listing, and assigning value to every property within the City of Traverse City. By law, the assessor is required to reassess each property annually. The department monitors all sales and analyzes the local real estate market relative to economic conditions, supply and demand factors, and other influences that affect value. Assessor files have property record card data indicating ownership and sale information as well as property characteristics. The assessor uses the characteristics of your property in connection with the analysis of the real estate market to estimate a market value, then an assessed and taxable value for your property

**The Department operates within the General Property Tax Act, as well as the guidelines as supplied by the State Tax Commission.**

**Assessors use characteristics of a property in connection with the analysis of the real estate market to estimate a market value, and then market value is multiplied by 50%, which is then your assessed value.**

### **Some basic Assessors Guidelines – State Tax Commission:**

“True cash value,” as defined in Michigan Compiled Law (MCL) 211.21(1), is the “usual selling price” of the property based on an assessment-sales study. State Tax Commission Assessment-Sales Study Guidelines stipulate the general considerations for properties exhibiting a “usual selling price” stating, for example, “sales will not be excluded ... because it is alleged the buyer paid too much or perhaps was not fully informed.”

### **Measuring of Assessments**

The most commonly used statistical measure of assessment uniformity in a ratio study is coefficient of dispersion, (COD). COD provides a measure of the variation of individual assessment ratios around the median level of assessment. The lower the rate of dispersion, assessments are more uniform and fair, to put it another way, there should be some uniformity in the assessment of all the homes in your neighborhood, even if they don't look exactly like yours. This is a calculated variation on a citywide basis, neighborhood by neighborhood.

COD measures uniformity or lack of uniformity in statistical terms. After calculating the median, or the middle, variations from the median can be determined.

What is Median Level of Assessment? Per State Statute, assessed valuation of each property class, i.e. Residential-400, Commercial-200, or Industrial-300, must be 50.00% of the usual selling price a/k/a fair market value. Usual selling price can only be determined by a sale. All the sales for the sales period are listed, and then each sales price is divided by the Assessed Valuation (S.E.V.) to see how close they all came to 50.00%. Assessors strive for a low COD; the lower the COD, the smaller the Average Deviation; producing more accurate assessments.

### **Market Price vs. Market Value**

Most of us are aware of the differences in 'price' and 'value' in the context of following sales, in that one price does not equal true cash value. However, here we are focusing on additional differences between 'price' and 'value'. Many believe that before a sale may be used as an indicator of market value, it must meet the following criteria:

- An open market sale.
- Neither party may enter into the sale under duress.
- A reasonable time must be allowed for selling the property (i.e., exposure on the open market).
- Both buyer and seller must be reasonably knowledgeable.
- Consideration should be in cash or its equivalent.

While we agree that, these are certainly desirable characteristics for any sale. However, these are the 'presumed' or 'normative' characteristics of 'market value', not 'market price', and may be absent from a sale or 'market price'.

### **Equalization of Assessed Values**

December 31, 2017 is tax day for 2018 assessments and is the date on which the assessable status of property is determined. The Equalization Department of each County is required to study the assessments in each separately equalized classification of property in each Township and City. Equalization studies for real property may be conducted utilizing a Sales Study, an Appraisal Study, or a combination of the two.

The formula for the state equalized valuation multiplier is: the state equalized valuation (SEV) of the classification of real property for the Township (or City) divided by the assessed valuation of the class of real property for the Township (or City) equals the S.E.V. multiplier for that classification. The assessed valuation of one parcel of property classified residential (for example, \$20,000) multiplied by the S.E.V. multiplier for residential (for example, 1.2500) produces the new year's S.E.V. (For example, \$25,000) for that parcel for that classification. The S.E.V. is entered on the tax roll and tax bill.

It is a common misconception that the Assessor determines your tax bill. This is not accurate; several elements enter into the formula for establishing taxable value. The Assessing Department is responsible for one of those elements. Proposal A, as passed by voters March 15, 1994, places additional limits on taxable values, used to compute property taxes. Starting in 1995, property taxes are calculated using "taxable" value. Taxable value is calculated by using the prior year's taxable value minus losses; times the inflation rate multiplier (IRM),

plus additions (i.e. new construction and/or omitted property improvements) resulting in the new year's taxable value, formula for the current years taxable value calculation

Regardless of the procedure used, the goal remains the same: to determine an assessment to market value ratio which is then used to compute county equalization. There is no defined minimum sales data necessary, but there must be enough to provide a sufficient representative sampling of comparable sales. The results of these equalization studies are given to each assessor and to the State Tax Commission by December 31 of each year.

**Guidelines:**

"True cash value," as defined in Michigan Compiled Law (MCL) 211.21(1), is the "usual selling price" of the property based on an assessment-sales study. State Tax Commission Assessment-Sales Study Guidelines stipulate the general considerations for properties exhibiting a "usual selling price" stating, for example, "sales will not be excluded ... because it is alleged the buyer paid too much or perhaps was not fully informed."

Assessments for the 2018 Assessment year are based on two-year sales studies of sales within the City of Traverse City,

More information may be found on at the Michigan Department of Treasury - State Tax Commission webpage: [www.michigan.gov/treasury/0,4679,7-121-1751\\_2228---,00.html](http://www.michigan.gov/treasury/0,4679,7-121-1751_2228---,00.html)

Another part of the assessment equation is the County Multipliers published each April/May each year by the State Tax Commission, which can increase/decrease a property's value based on construction type.



## Reasons To Work With Your Assessor

- ✓ Assistance in navigating a complicated process. Buying or selling a home usually requires disclosure forms, inspection reports, mortgage documents, insurance policies, deeds, and multipage settlement statements. A knowledgeable expert will help you prepare the best deal, and avoid delays or costly mistakes.
- ✓ Information and opinions. Assessors are able to provide local community information on utilities, zoning, schools, and more. They will also be able to provide objective information about each property. A professional will be able to help you answer these two important questions: Will the property provide the environment I want for a home or investment? Second, will the property have resale value when I am ready to sell?
- ✓ Help finding the best property out there. Sometimes the property you are seeking is available but not actively advertised in the market, and it will take some investigation by your Assessor to research comparable properties.
- ✓ Negotiating skills. There are many negotiating factors, including but not limited to price, financing, terms, date of possession, and inclusion or exclusion of repairs, furnishings, or equipment. In addition, the purchase agreement should provide a period of time for you to complete appropriate inspections and investigations of the property before you are bound to complete the purchase. Your agent can advise you as to which investigations and inspections are recommended or required.
- ✓ Property marketing power. Real estate does not sell due to advertising alone. In fact, a large share of real estate sales comes as the result of a practitioner's contacts through previous clients, referrals, friends, and family.
- ✓ Someone who speaks the language. If you do not know what a PRE is from a PTA, from a RPS, you can understand why it is important to work with a professional who is immersed in the industry and knows the real estate language.
- ✓ Experience. Most people buy and sell only a few homes in a lifetime, usually with quite a few years in between each purchase. Even if you have done it before, laws and regulations change. Assessors, on the other deal with hundreds or thousands of real estate transactions over the course of their career. Having an expert is critical.
- ✓ Objective voice. A home often symbolizes family, rest, and security — it is not just four walls and a roof. Because of this, home buying and selling can be an emotional undertaking. In addition, for most people, a home is the biggest purchase they will every make. Having a concerned, but objective, third party helps you stay focused on both the emotional and financial issues most important to you.

# City of Traverse City Assessing Department

City Assessing Department is staffed by 4 full time employees, which manages over 10,000 parcels. The City of Traverse City encompasses two taxing jurisdictions – City of Traverse City, Grand Traverse & Leelanau County. The Department is primarily responsible for performing and maintaining property assessments for the equitable distribution of property tax burden under current Michigan General Property Tax Laws

## Four certified assessors staff the City Assessing Department:

### City Assessor:

#### **Polly Watson Cairns \* Michigan Master Assessing Officer (aka MMAO - Level IV)**

Certified Personal Property Examiner & Certified General Real Estate Appraiser

*I have worked for the City starting as Deputy Assessor, summer of 2009, and moved into position of Department head September 2012.*

*Experience includes 11 years with Grand Traverse County Equalization Department, 9 years as Deputy Director, Antrim County Equalization Director, township assessing since 2007, and appraising in the State of Michigan since 1993, and Certified General Appraiser -State of Florida 1986-2004. I have been in in the appraisal industry for approximately 28 years, with a family business background in real estate development and management.*

### Deputy Assessor:

#### **Dave J. Brown \* Michigan Advanced Assessing Officer (aka MAAO - Level III)**

Certified Personal Property Examiner

*Started work for Emmet County Equalization in September of 2006 as field staff appraiser. During my time with Emmet County, I was able to obtain my level 3 Certification. (Michigan Advance Assessor) Within 4 years, I moved up to the senior Appraiser position .Prior to going to work for Emmet County I was a licensed Builder owning my own building company for around 10 years. I feel this building experience has played a big part in helping with setting values for assessments. I started April 1 2013 as deputy assessor.*

### Senior Appraiser:

#### **Erik Sandy \* Michigan Certified Assessing Officer (aka MCAO – Level II)**

*Started his assessing career in January of 2005 working for Newaygo County and the county's Equalization Department as Deputy Director until May of 2013 at which time he became the Senior Assessor in for the City of Traverse City. I have also done fieldwork and reappraisal work for a number of assessors along with a stint co-assessing a township.*

### Assessor Technician:

#### **Dan Tollefson \* Michigan Certified Assessing Officer (aka MCAO – Level II)**

*Graduated from Northwestern Michigan College in 2005; with Associates in Business Administration. I served in U.S. Army from 2007-2011, in the military intelligence field. Upon completion of my military service, I spent 16 months in Afghanistan working with drones. After moving back to Michigan, I began working for the City Assessing Department, April 2013, and recently passed MCAO program, May 2015.*

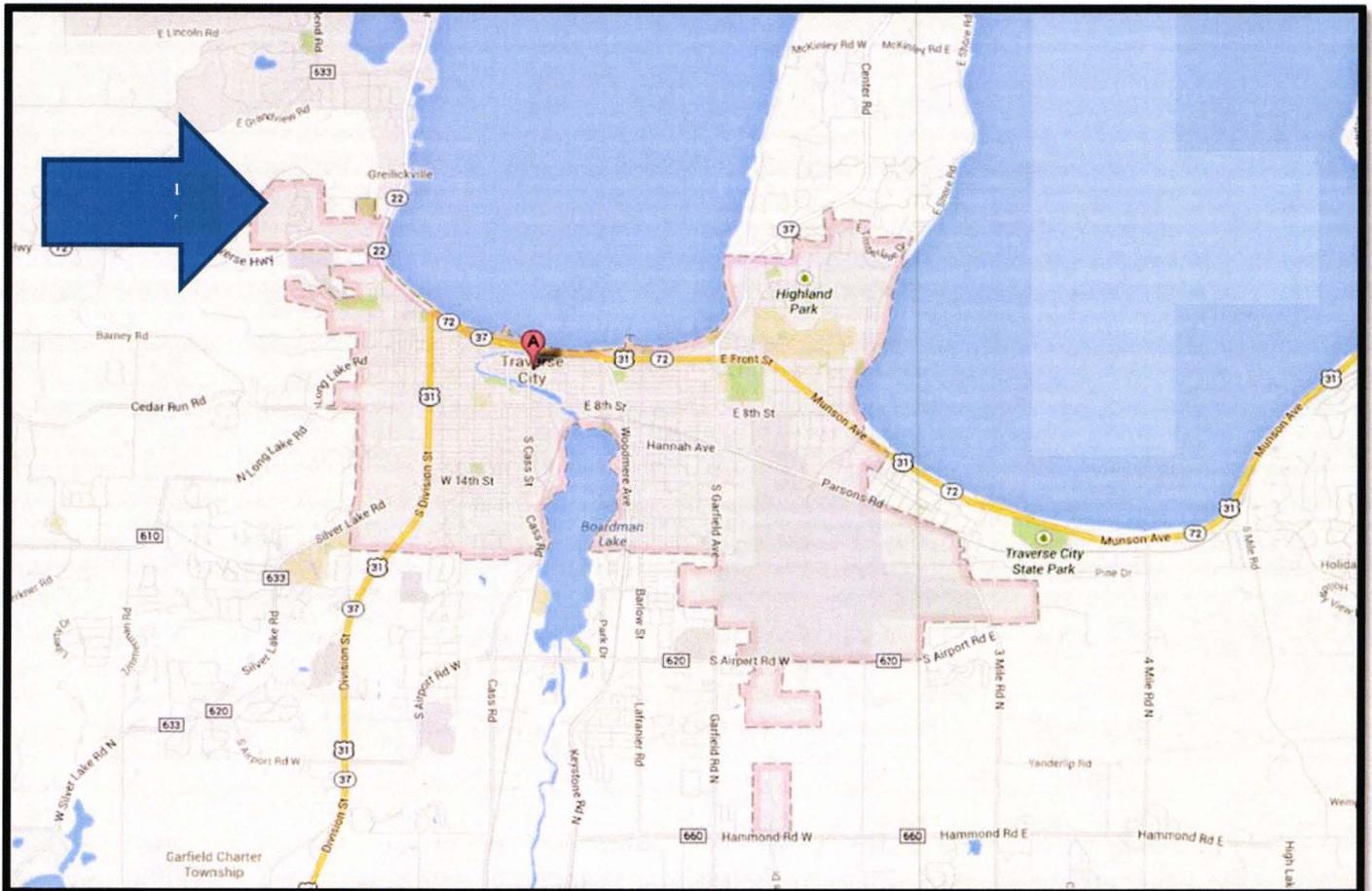
# City Assessing Department

Annual update - 2017 Assessment year cycle

Department compiles the annual assessment roll on which taxes will be levied; maintaining property tax descriptions and maps, processes personal property statements, and conducts field audits of both existing properties and new construction located within the City of Traverse City. In addition, providing the City Treasurer with taxable value on all City properties, used to produce annual tax bills.

- ✓ Establish legal assessment roll and annually site visit 20% property
- ✓ Review and evaluate commercial and industrial property
- ✓ Site visit and review all new construction
- ✓ Continue public education in areas such as non-consideration forms, homestead applications, property transfers and personal property tax law
- ✓ Enhance and increase understanding of and compliance with property tax system as established by City charter and State law.

The City of Traverse City is the largest assessment/taxing jurisdiction within Grand Traverse County. The City of Traverse City is located in Grand Traverse County & a portion Leelanau County



City Assessing Department is entrusted with the responsibility of maintaining the City's assessment rolls for all assessable property, both real and personal, located within the City limits for Grand Traverse & Leelanau Counties.

Following is a summary from each County regarding the completed 2017 Assessment roll, as complete from March 2017,

**2017 GRAND TRAVERSE COUNTY - ALL AD VALOREM PROPERTY**

TOWNSHIPS & CITY	Parcel Count 2016	Parcel Count 2017	Parcel Count % Change	CEV 2016	CEV 2017	County Equalized % Change	TAXABLE 2016	TAXABLE 2017	Taxable % Change
Acme	3,494	3,483	-0.31%	\$395,365,400	\$405,047,600	2.45%	\$323,318,171	\$331,302,712	2.47%
Blair	4,588	4,598	0.22%	\$306,176,085	\$323,377,950	5.62%	\$257,385,537	\$265,875,290	3.30%
East Bay	8,217	8,226	0.11%	\$632,969,800	\$661,622,400	4.53%	\$525,222,076	\$541,699,402	3.14%
Fife Lake	1,303	1,301	-0.15%	\$66,137,500	\$70,688,200	6.88%	\$50,967,921	\$52,291,829	2.60%
Garfield	8,292	8,095	-2.38%	\$983,362,600	\$1,022,599,100	3.99%	\$841,651,950	\$866,712,296	2.98%
Grant	1,099	1,099	0.00%	\$69,274,668	\$73,774,251	6.50%	\$51,354,491	\$53,058,162	3.32%
Green Lake	4,009	4,015	0.15%	\$311,903,300	\$332,663,100	6.66%	\$265,547,623	\$275,352,377	3.69%
Long Lake	5,012	5,014	0.04%	\$560,776,750	\$596,824,500	6.43%	\$460,754,671	\$479,931,652	4.16%
Mayfield	1,090	1,094	0.37%	\$71,292,810	\$75,151,100	5.41%	\$56,148,780	\$57,103,647	1.70%
Paradise	2,567	2,580	0.51%	\$142,111,900	\$150,857,500	6.15%	\$119,395,552	\$123,919,343	3.79%
Peninsula	4,208	4,216	0.19%	\$855,176,200	\$894,743,800	4.63%	\$651,129,296	\$674,055,682	3.52%
Union	437	436	-0.23%	\$27,969,200	\$28,547,100	2.07%	\$23,484,746	\$24,332,755	3.61%
Whitewater	2,003	2,011	0.40%	\$244,420,200	\$255,020,300	4.34%	\$190,168,489	\$194,509,181	2.28%
Traverse City	8,708	8,781	0.84%	\$1,094,436,100	\$1,186,260,675	8.39%	\$881,756,060	\$928,294,158	5.28%
<b>TOTALS</b>	<b>55,027</b>	<b>54,949</b>	<b>-0.14%</b>	<b>\$5,761,372,513</b>	<b>\$6,077,177,576</b>	<b>5.48%</b>	<b>\$4,698,287,253</b>	<b>\$4,868,438,486</b>	<b>3.622%</b>

2017 LEELANAU COUNTY PERCENT CHANGE - 2016 TO 2017 BY LOCAL UNIT									
TOWNSHIPS AND CITIES	Parcel Count 2016	Parcel Count 2017	%CHANGE	C.E.V. 2016	C.E.V. 2017	%CHANGE	TAXABLE 2016	TAXABLE 2017	%CHANGE
BINGHAM	2,133	2,142	0.42%	258,771,100	273,115,200	5.54%	192,344,613	199,064,773	3.49%
CENTERVILLE	1,390	1,400	0.72%	138,065,800	148,519,100	7.57%	96,527,088	99,565,803	3.15%
CLEVELAND	1,440	1,438	-0.14%	145,032,417	159,120,700	9.71%	104,789,576	108,074,106	3.13%
ELMWOOD	3,444	3,419	-0.73%	351,227,000	373,363,100	6.30%	297,207,446	305,894,156	2.92%
EMPIRE	2,215	2,208	-0.50%	244,443,121	254,008,600	3.91%	184,190,704	187,801,163	1.96%
GLEN ARBOR	2,630	2,622	-0.30%	394,918,600	623,158,200	4.75%	424,390,600	434,515,024	2.39%
KASSON	1,401	1,412	0.79%	125,806,800	130,162,000	3.46%	95,292,583	98,664,778	3.54%
LEELANAU	3,497	3,497	0.00%	504,794,220	529,907,920	4.98%	395,427,099	405,289,782	2.49%
LELAND	2,773	2,784	0.40%	634,292,964	642,364,900	1.27%	427,190,136	438,290,395	2.60%
SOLO	1,353	1,348	-0.37%	118,066,184	122,324,828	3.61%	92,510,441	94,121,640	1.74%
SUTTONS BAY	2,838	2,824	-0.49%	283,328,250	291,810,240	2.99%	228,545,067	234,023,557	2.22%
TRAVERSE CITY	266	355	33.46%	34,410,200	40,932,700	18.96%	30,801,864	33,663,725	9.29%
<b>TOTALS</b>	<b>25,384</b>	<b>25,449</b>	<b>0.26%</b>	<b>\$3,433,156,656</b>	<b>\$3,588,787,488</b>	<b>4.53%</b>	<b>\$2,569,617,217</b>	<b>\$2,638,968,902</b>	<b>2.70%</b>

GTC Values		Parcel Count % Change		Leelanau Values		Parcel Count % Change			
2017 VALUES	Assessed	Taxable	Parcel Count	Change	2017 VALUES	Assessed	Taxable	Parcel Count	Change
201 Commercial	376,684,500	305,382,566	1,037		201 Commercial	9,818,200	8,598,692	25	
301 Industrial	29,614,800	27,416,789	54		401 Residential	30,349,700	24,300,233	302	
401 Residential	727,784,375	543,317,803	5,918		251 Commercial Personal	652,600	652,600	19	
251 Commercial Personal	34,840,700	34,840,700	1,665		551 Utility Personal	112,200	112,200	2	
351 Industrial Personal	12,861,100	12,861,100	52						
551 Utility Personal	4,475,200	4,475,200	5						
Tax Exempt			383		Tax Exempt			7	
	<b>1,186,260,675</b>	<b>928,294,158</b>	<b>9,114</b>	<b>0.45%</b>		<b>40,932,700</b>	<b>33,663,725</b>	<b>355</b>	<b>33.46%</b>
% change from Previous year	<b>8.39%</b>	<b>5.28%</b>	<b>41</b>			<b>18.96%</b>	<b>9.29%</b>	<b>89</b>	

Below are the established ratios for the 2018 Assessment roll.

2018 Grand Traverse County Equalization Department Tabulation of Tentative Ratios and Factors														
Local Unit	Agricultural		Commercial		Industrial		Residential		Timber/Cutover		Developmental		Personal	
	Ratio	Factor	Ratio	Factor	Ratio	Factor	Ratio	Factor	Ratio	Factor	Ratio	Factor	Ratio	Factor
Acme	48.97%	1.02103	48.85%	1.02354	50.64%	0.98736	48.95%	1.02145	N/C	N/C	N/C	N/C	50.00%	1.00000
Blair	47.72%	1.04778	49.68%	1.00644	50.48%	0.99049	48.73%	1.02606	N/C	N/C	N/C	N/C	50.00%	1.00000
East Bay	48.67%	1.02733	46.56%	1.07388	49.24%	1.01543	47.99%	1.04188	N/C	N/C	N/C	N/C	50.00%	1.00000
Fife Lake	49.67%	1.00664	49.65%	1.00705	49.93%	1.00140	49.57%	1.00867	N/C	N/C	N/C	N/C	50.00%	1.00000
Garfield	N/C	N/C	49.04%	1.01958	47.46%	1.05352	48.63%	1.02817	N/C	N/C	N/C	N/C	50.00%	1.00000
Grant	49.45%	1.01112	49.55%	1.00908	50.02%	0.99960	48.14%	1.03864	N/C	N/C	N/C	N/C	50.00%	1.00000
Green Lake	N/C	N/C	49.36%	1.01297	51.53%	0.97031	48.97%	1.02103	N/C	N/C	N/C	N/C	50.00%	1.00000
Long Lake	51.25%	0.97561	48.64%	1.02796	48.96%	1.02124	48.13%	1.03885	N/C	N/C	N/C	N/C	50.00%	1.00000
Mayfield	47.71%	1.04800	49.70%	1.00604	49.98%	1.00040	49.89%	1.00220	N/C	N/C	N/C	N/C	50.00%	1.00000
Paradise	48.36%	1.03391	47.56%	1.05130	49.21%	1.01605	48.38%	1.03348	N/C	N/C	N/C	N/C	50.00%	1.00000
Peninsula	49.98%	1.00040	46.52%	1.07481	49.63%	1.00746	48.78%	1.02501	N/C	N/C	N/C	N/C	50.00%	1.00000
Union	N/C	N/C	49.43%	1.01153	51.16%	0.97733	49.52%	1.00969	N/C	N/C	N/C	N/C	50.00%	1.00000
Whitewater	49.52%	1.00969	51.25%	0.97561	48.93%	1.02187	48.02%	1.04123	N/C	N/C	N/C	N/C	50.00%	1.00000
Traverse City	N/C	N/C	48.08%	1.03993	49.44%	1.01133	48.13%	1.03885	N/C	N/C	N/C	N/C	50.00%	1.00000

RATIO: Average ratio of assessed value to true cash value.  
MULTIPLIER: Multiplier (equalization factor) necessary to modify assessed value to equalized value.  
EQUALIZED VALUE: Fifty percent (50%) of true cash value.  
N/C: No parcels in this classification.

Act 165 of the Michigan Public Acts of 1971 requires that the county publish tentative recommended equalization ratios and multipliers on or before the third Monday in February. This in no way limits the assessor in his or her assessment duties. The tentative recommended equalization ratio and multiplying figures shall not prejudice the equalization procedures of the County Board of Commissioners or the State Tax Commissioners or the State Tax Commission. Act 114 of the public acts of 1979 requires separate equalization of each class of real property.

### 2018 LEELANAU COUNTY TENTATIVE EQUALIZATION RATIOS & ESTIMATED CEV MULTIPLIERS

TOWNSHIP OR CITY	101 AG-REAL TENTATIVE		201 COM-REAL TENTATIVE		301 IND-REAL TENTATIVE		401 RES-REAL TENTATIVE		501 TIMBER/CUTOVER TENTATIVE		601 DEVELOPMENTAL TENTATIVE		PERSONAL PROPERTY TENTATIVE	
	RATIO	MULTIPLIER	RATIO	MULTIPLIER	RATIO	MULTIPLIER	RATIO	MULTIPLIER	RATIO	MULTIPLIER	RATIO	MULTIPLIER	RATIO	MULTIPLIER
BINGHAM	49.94%	1.0013	49.19%	1.0165	48.01%	1.0414	49.47%	1.0108	N/C	N/C	N/C	N/C	50.00%	1.0000
CENTERVILLE	54.81%	0.9123	51.82%	0.9649	N/C	N/C	49.34%	1.0134	N/C	N/C	N/C	N/C	50.00%	1.0000
CLEVELAND	53.18%	0.9403	52.01%	0.9614	49.61%	1.0080	50.48%	0.9905	N/C	N/C	N/C	N/C	50.00%	1.0000
ELMWOOD	50.40%	0.9921	47.37%	1.0556	46.75%	1.0696	48.62%	1.0284	N/C	N/C	N/C	N/C	50.00%	1.0000
EMPIRE	50.10%	0.9981	49.42%	1.0118	43.97%	1.1373	47.34%	1.0562	N/C	N/C	N/C	N/C	50.00%	1.0000
GLEN ARBOR	N/C	N/C	49.86%	1.0029	49.54%	1.0093	50.31%	0.9939	N/C	N/C	N/C	N/C	50.00%	1.0000
KASSON	48.46%	1.0318	49.37%	1.0128	50.06%	0.9989	47.65%	1.0494	N/C	N/C	N/C	N/C	50.00%	1.0000
LEELANAU	50.57%	0.9888	46.93%	1.0655	50.89%	0.9826	47.86%	1.0448	N/C	N/C	N/C	N/C	50.00%	1.0000
LELAND	50.54%	0.9894	48.14%	1.0387	49.79%	1.0043	50.13%	0.9975	N/C	N/C	N/C	N/C	50.00%	1.0000
SOLOON	44.38%	1.1267	49.61%	1.0079	N/C	N/C	49.72%	1.0057	N/C	N/C	N/C	N/C	50.00%	1.0000
SUTTONS BAY	51.92%	0.9631	48.47%	1.0316	50.17%	0.9967	48.73%	1.0261	N/C	N/C	N/C	N/C	50.00%	1.0000
TRAVERSE CITY	N/C	N/C	49.35%	1.0132	N/C	N/C	48.56%	1.0297	N/C	N/C	N/C	N/C	50.00%	1.0000

RATIO: Average ratio of assessed value to true cash value.  
MULTIPLIER: Multiplier (equalization factor) necessary to raise or lower assessed value to equalized value.  
EQUALIZED VALUE: Fifty percent (50%) of true cash value.  
N/C: No parcels in this classification

Following is a listing of some of the functions performed in preparation for the annual Assessment roll:  
*Not a complete listing*

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**Building Permits** processed – obtained from Grand Traverse County Construction Code

- ✓ 2017 \$ Permit Count – year end summary has not been received  
*\*Estimated 312 permits*
- ✓ 2016 \$134,411,067 Permit Count 297
- ✓ 2015 \$107,732,009 Permit Count 283
- ✓ 2014 \$135,628,845 Permit Count 243
- ✓ 2013 \$123,942,685 Permit Count 225
- ✓ 2012 \$71,193,799 Permit Count 220
- ✓ 2011 \$66,701,379 Permit Count 190
- ✓ 2010 \$56,298,416 Permit Count 162

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**Personal Property Filings**

- ✓ Over 2168 Personal property (L-4175 aka 632) & Small Tax Payer Exemption Affidavits (5076) were received and processed
- ✓ 40 EMPP (Eligible Manufacturing Personal Property Tax Exemption Claim) filed and processed

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- ✓ Processed 1,398 changes in owners/property transfers
  - ✓ Processed 1,098 changes in owners/property
  - ✓ Processed 11 Special Improvement District calculations
  - ✓ Inspected over approximately 2,130 properties
  - ✓ Processed approximately 132 splits, combinations/intent to establish condos
  - ✓ Processed approximately 1,178 PRE –Principal Residence Exemptions (aka Homestead Applications) *(These forms are processed daily, PRE's, Rescissions of PRE, Conditional PRE, PRE denials)*

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Annual canvassing of property – to comply with the recommended 20% annual inspection policy per State Tax Commission guidelines.

Over the several years, the Assessing Department has seen a reduced number of Petitions presented our March Board of Review, as well as reduced filings with the Michigan Tax Tribunal.

One of the many functions of the City Assessing department, specifically the City Assessor, (per Michigan Compiled Laws), is to defend property tax appeals, and assist the legal counsel in defense of such Petitions.

City Assessing Department administers data and access to Pictometry – a patented aerial image capture service, with a flyover in 2014 and another spring 2017. *(This service is shared with several City Departments – Assessing, Engineering, Planning/Zoning, Police, Fire, DPS, DDA & TCLP. Assisting Assessing Department with improved accuracy of our parcel data layer with current digital orthophotography. Updated imagery is a valuable tool for all departments involved)*

## **Annual Assessment Cycle**

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Below is a partial listing calendar dates applicable to assessing as provided by the State Tax Commission and processes performed through the City Assessing Department

### **December 31, 2016**

Tax day for 2017 assessments and 2017 property taxes. – Year-end review of new construction status.

MCL 211.2 Deadline for an owner that had claimed a conditional rescission of a Principal Residence Exemption to verify with the assessor that the property still meets the requirements for the conditional rescission through a second and third year annual verification of a Conditional Rescission of Principal Residence Exemption (PRE) (form 4640). MCL 211.7cc(5)

### **January 10, 2017**

Except as otherwise provided in section 9m, 9n, or 9o, Assessors and/or Supervisors are required to annually send a personal property statement to any taxpayer they believe has personal property in their possession in their local unit. Form 632 - Personal Property Statements must be sent or delivered no later than January 10 each year.

### **February 21, 2017 Feb. 20 was a State Holiday**

Deadline for taxpayer filing of personal property statement with assessor. Form 5278 must be filed not later than February 20 for each personal property parcel for which the Eligible Manufacturing Personal Property exemption is being claimed.

### **March 13 & 14th, 2017**

BOR must meet on the second Monday in March. City of Traverse City March Board of Review meetings held Monday 9am to 3pm and Tuesday 3pm to 9pm.

### **April 1, 2017**

No later than April 1, assessors shall transmit to the Department of Treasury the information contained in Form 5278, Eligible Manufacturing Personal Property Tax Exemption Claim, Ad Valorem Personal Property Statement and Report of Fair Market Value of Qualified New and Previously Existing Personal Property (Combined Document), in a form and manner as directed by the Department. MCL 211.9m and MCL 211.9n.

### **April 3, 2017**

On or before the first Monday in April, the BOR must complete their review of protests of assessed value, taxable value, or property classification.

### **April 5, 2017**

An assessor shall file STC form L-4021 with the County Equalization Department, and STC form L-4022 (signed by the assessor) with the County Equalization Department and the STC, immediately following adjournment of the board of review. (STC Administrative Rule: R 209.26(6a), (6b). The form L-4022 must be signed by the assessor of record. Form 4626 Assessing Officers Report of Taxable Values as of State Equalization due to the County.

### **May 1, 2017**

Deadline for filing a Principal Residence Exemption (PRE) Active Duty Military Affidavit to allow military personnel to retain a PRE for up to three years if they rent or lease their principal residence while away on active duty. MCL 211.7dd

Deadline for assessor to file tabulation of Taxable Valuations for each classification of property with the county equalization director on STC form L-4025 to be used in “Headlee” calculations. MCL 211.34d(2). (first Monday in May)

**June 2017**

Preparation of Summer Tax roll for City Treasurer

**June 1, 2017**

Deadline for filing Principal Residence Exemption Affidavits (form 2368) for exemption from the 18-mill school operating tax to qualify for a PRE for the summer tax levy. MCL 211.7cc(2) Deadline for filing the initial request (first year) of a Conditional Rescission of Principal Residence Exemption (PRE) (form 4640) for the summer tax levy. MCL 211.7cc(5).

Requests are due from a Brownfield Redevelopment Authority, Tax Increment Finance Authority, Local Development Financing Authority or Downtown Development Authority for state reimbursements of tax increment revenue decreases as a result of the MBT reduction in personal property taxes (not later than June 1). Form 4650;P.A. 154-157 of 2008.

**June 5, 2017**

Deadline for notifying protesting taxpayers in writing of Board of Review Action (by the first Monday in June). MCL 211.30(4)

Deadline for Assessors to report the current year taxable value of commercial personal property and industrial personal property to the County Equalization Director. MCL 123.1353(3)

Deadline for Assessors to file the Personal Property 2017 Taxable Value for Expired Tax Exemptions – Form 5403 with the County Equalization Director and Department of Treasury. MCL 123.1353(6)

Deadline for Assessors to file the Personal Property 2017 Taxable Value for Expired/Expiring Renaissance Zone Tax Exemptions – Form 5429 with the County Equalization Director and Department of Treasury. MCL 123.1353(6)

**June 15, 2017**

Deadline for the assessor’s report to the STC on the status of each Neighborhood “homestead” exemption granted under the Neighborhood Enterprise Zone Act. MCL 207.786(2)

Each municipality that is a tax increment finance authority shall calculate and report to the Department of Treasury the municipality’s tax increment small taxpayer loss for the current year. (MCL 123.1356a)

Deadline for Tax Increment Finance (TIF) Authorities to file the 2017 TIF loss reimbursement claims – Form 5176.

**June 30, 2017**

Prepare and furnish the summer tax roll before June 30 to the treasurer with the collection warrant attached if summer school taxes are to be collected. MCL 380.1612(1)

**July 18, 2017**

July BOR may be convened to correct a qualified error (Tuesday after the third Monday in July). MCL 211.53b.

July BOR may hear appeals for current year only for poverty exemptions, but not poverty exemptions denied by the March Board of Review. MCL 211.7u, STC Bulletin No. 5 of 2012

**October 13, 2017**

Assessor reports the status of real and personal Industrial Facility Tax property to STC. MCL 207.567(2)

Assessor's annual report of the determination made under MCL 207.783(1) to each taxing unit that levies taxes upon property in the local governmental unit in which a new facility or rehabilitated facility is located and to each holder of the Neighborhood Enterprise Zone certificate. MCL 207.783(2)

**November 2017**

Preparation of Winter Tax roll for City Treasurer

**December 12, 2017**

Special Board of Review meeting may be convened by assessing officer to correct qualified errors, MCL 211.53b.

**December 31, 2017**

Tax Day for 2018 assessments and 2018 property taxes. MCL 211.2

Deadline for an owner that had claimed a conditional rescission of a Principal Residence Exemption to verify with the assessor that the property still meets the requirements for the conditional rescission through a second and third year annual verification of a Conditional Rescission of Principal Residence Exemption (PRE) (form 4640) (on or before December 31). MCL 211.7cc(5)

**January 10, 2018**

Except as otherwise provided in section 9m, 9n, or 9o, Assessors and/or Supervisors are required to annually send a personal property statement to any taxpayer they believe has personal property in their possession in their local unit. Form 632 - Personal Property Statements must be sent or delivered no later than January 10 each year.

**February 20, 2018**

Deadline for taxpayer filing of personal property statement with assessor. Form 5278 must be completed and delivered to the assessor of the local unit not later than February 20 (postmark is acceptable) for each personal property parcel for which the Eligible Manufacturing Personal Property exemption is being claimed. Deadline to file the statement to claim the exemption for Eligible Personal Property – Form 5076. See the Assessor Guide to Small Business Taxpayer Exemption for more information. MCL 211.9o(2)

**February 2018**

Processing of Personal Property Statements (Form 632), Small Business Property Tax Exemption Claims, Eligible Manufacturing Personal Property (EMPP- Form 5278).

Answering questions regarding 2018 Assessment Change Notices