



CITY OF NOVI CITY COUNCIL
FEBRUARY 5, 2024

SUBJECT: Approval of Introduction of Ordinance 24-156.06, an ordinance to amend Chapter 2, Administration, Article V, Boards and Commissions, Division 3, Board of Review, Section 2-193.1, Application for Exemption and Section 2-193.6, Guidelines to be Uniformly Applied, relating to poverty exemptions, in order to revise the standards for uniform application of exemption provisions to comply with state law requirements. **SECOND READING.**

SUBMITTING DEPARTMENT: City Assessor

BACKGROUND INFORMATION:

The Interim City Assessor has reviewed the City's current Board of Review Ordinance relating to its poverty exemption requirements and has determined that two revisions to the standards for applying the exemption is required to ensure that it meets state requirements. The State of Michigan passed Public Act No. 191 of 2023, effective November 7, 2023, which permits a seventy-five (75) percent partial exemption. This is in addition to the already existing provisions for a one hundred (100) percent, fifty (50) percent and twenty-five (25) percent exemptions.

Additionally, PA 191 amends both MCL 211.7u and MCL 211.53 to allow the July and December Board of Review to grant a poverty exemption for the immediately preceding year on the principal residence of a person who establishes eligibility as required by Section 7u if an exemption was not on the assessment roll and was not previously denied. This is an expansion of the poverty exemption, which prior to PA 191 permitted the March, July and December Board of Review to grant a poverty exemption for the current year only.

The above amended changes will help the Board of Review continue to conduct its reviews as it has in the past. The first reading of this ordinance amendment was approved by City Council on January 22, 2024.

RECOMMENDED ACTION: Approval of Introduction of Ordinance 24-156.06, an ordinance to amend Chapter 2, Administration, Article V, Boards and Commissions, Division 3, Board of Review, Section 2-193.1, Application for Exemption and Section 2-193.6, Guidelines to be Uniformly Applied, relating to poverty exemptions, in order to revise the standards for uniform application of exemption provisions to comply with state law requirements. **SECOND READING.**