



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.**

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF NOVI

ORDINANCE NO. 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.

THE CITY OF NOVI ORDAINS:

Part I. That Chapter 2, Administration, Article V, Boards and Commissions, Division 3, Board of Review, Section 2-193.6, Guidelines to be uniformly applied; exceptions, shall be amended to read in its entirety as follows:

Sec. 2-193.1. - Application for exemption.

(a) All persons seeking a poverty exemption pursuant to MCL 211.7u shall file an application for exemption with the City of Novi Board of Review. Application for poverty exemption forms shall be in the form approved by the State of Michigan.

(b) Applications for poverty exemption forms must be obtained from the city assessor's office.

(c) All applications for poverty exemption shall be for the current year only and must be filed with the city assessor's office after January 1.

1. Notwithstanding any provision of this section to the contrary, if an exemption was not on the assessment roll and was not denied, the July or December board of review may grant an exemption under Section 7u, in whole or in part, for the immediately preceding tax year on the principal residence of a person who established eligibility in that tax year.

(d) All applications for poverty exemption shall be completely and correctly filled out, dated and signed by the applicant. All applications for poverty exemption filed with the board of review shall be accompanied by all documents and information required by section 2-193.2.

Sec. 2-193.6. - Guidelines to be uniformly applied.

The board of review shall uniformly apply the provisions of this chapter, to each applicant for a poverty exemption and so that a twenty-five (25) percent, fifty (50) percent, seventy-five (75) percent, or one hundred (100) percent exemption is granted.

Section 2 of Ordinance. Repealer.

All ordinances, parts of ordinances, or sections of the City of Novi Code of Ordinances in conflict with this Ordinance are repealed only to the extent necessary to give this Ordinance full force and effect.

Section 3 of Ordinance. Severability.

Should any section, subdivision, clause, or phrase of this Ordinance be declared by the courts to be invalid, the validity of the Ordinance as a whole, or in part, shall not be affected other than the part invalidated.

Section 4 of Ordinance. Savings.

All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this Ordinance takes effect, are saved and may be consummated according to the law in force when they were commenced.

Section 5 of Ordinance. Effective Date.

This ordinance shall be effective upon publication in the manner prescribed by law.

Section 6 of Ordinance. Enactment.

This Ordinance is declared to have been enacted by the City Council of the City of Novi at a meeting called and held on the 22nd day of January, 2024, and ordered to be given publication in the manner prescribed by law.

Justin Fischer, Mayor

Cortney Hanson, City Clerk

Certificate of Adoption

I hereby certify that the foregoing is a true and complete copy of the ordinance adopted at the regular meeting of the Novi City Council held on the 22nd day of January, 2024.

Cortney Hanson, City Clerk

Adopted:
Published:
Effective:

Certificate of Clerk

