

Mackinac County Is Feeling Affect of Falling Property Values Across State

By Karen Gould

The trend of falling property values in the Lower Peninsula is beginning to creep across the Mackinac Bridge this year as Mackinac County saw a slowing of the increase in the state equalized value (SEV) for property. County taxpayers are noticing a 4.48% increase in taxable values, but a smaller increase in the equalized values of their homes. For 2008, the county reports a 1.3% increase in the SEV, while last year the increase was 7.59%, and in 2006 it was 5.6%.

The equalization report, which was adopted by the County Commission Tuesday, April 15, is designed to maintain equitable levels of property assessments among local units of government throughout the county.

The adopted 2008 equalized value for the county is \$1.3 billion. This represents an increase of \$17.3 million over 2007.

Taxable values, this year, increased by \$887,734,589, or 4.48%. The 2007 taxable value increase was 6.07%.

"Our [real estate] market," said Mr. Fenlon, "is showing a little bit of a slowdown."

The more than 90 foreclosures finished or underway in the county between 2007 and today will likely pull residential property values down,

and perhaps commercial values, Mr. Fenlon said. He foresees a probable decrease in property values overall for next year.

This year, county taxpayers want to know why the SEV is showing little change from last year, while taxable values continue to rise, Mr. Fenlon said. Proposal A, which allows for an annual increase by the rate of inflation, is the reason. Unless legislators change Proposal A to freeze any increase in the taxable value when the SEV decreases, he said, taxpayers will continue to see an increase in property values.

Since 1995, the difference between SEV and taxable values has increased until this year. The gap between the two has begun to close, said Mr. Fenlon.

Proposal A went into effect in 1994.

In the county and across the state, the majority of property values have risen higher than the rate of inflation. Proposal A limits the growth of the taxable value. Taxable values increase each year by the inflation rate, the uncapping of sold property, and new construction. The 2008 inflation rate was 2.3%.

While the assessed value of a home is half of what an assessor determines is the market value, the

taxable value is the amount on which property taxes are based. Assessors generally take the taxable value from the previous year and multiply it by the rate of inflation, unless there is new construction or a property transfer. When the market value of a home is greater than the taxable value, under Proposal A, property taxes can continue to rise even as assessed values decline.

This year, said Mr. Fenlon, the SEV for commercial construction dropped by 0.8%, and residential and timber cut had a weak increase of 1.43%.

The sale of homes and property has slowed and more foreclosures are expected, he said, and they will affect taxable values in the future. The 2008 equalization report includes only a few foreclosures and people were not listing recreational property for sale yet, a situation that could change, said Mr. Fenlon, and affect 2009 numbers.

Clark Township saw a drop of approximately \$11 million in true cash value in the residential classification, said Mr. Fenlon, although with a \$300 million SEV, it doesn't really show overall.

For 2007 and 2008, 52 foreclosures took place, he said, and about 40 foreclosures are in process now

REAL PROPERTY	2007 Taxable	2008 Taxable	Change	% Increase
Bois Blanc Township	\$24,939,981	\$26,193,837	\$1,253,856	5.03%
Brevort Township	\$26,225,242	\$27,034,025	\$808,783	3.08%
Clark Township	\$170,265,426	\$177,227,489	\$6,962,063	4.09%
Garfield Township	\$63,688,118	\$65,691,549	\$2,003,431	3.15%
Hendricks Township	\$5,572,345	\$5,552,478	-\$13,8674	-0.25%
Hudson Township	\$10,733,116	\$11,317,685	\$584,569	5.44%
Marquette Township	\$25,703,434	\$26,953,120	\$1,449,686	4.86%
Moran Township	\$62,902,147	\$66,615,075	\$3,712,928	5.90%
Newton Township	\$26,391,759	\$27,668,782	\$1,277,023	4.88%
Portage Township	\$64,200,155	\$71,250,057	\$7,049,902	10.98%
St. Ignace Township	\$27,419,839	\$27,660,094	\$240,255	0.88%
City of Mackinac Island	\$171,606,038	\$180,255,010	\$8,648,972	5.04%
City of St. Ignace	\$80,433,970	\$81,515,038	\$1,081,068	1.34%

*Land includes aricultural, commercial, industrial, residential, and timber/cutover.
Source: 2007 and 2008 Mackinac County equalization reports.*

and will impact next year's equalization report. Of those, three were commercial. The bulk of pending foreclosures in the county are in the City of St. Ignace with 15, Clark Township with 10, and Moran Township with seven. As these enter into the market, appraisers will have to consider if they affect other appraisals in a neighborhood, and real estate agents will be looking at them as they perform their comparable home cost analysis.

"They probably will pull our residential classes down," he said of the coming foreclosures, "and even some of our commercial classes."

For next year, Mr. Fenlon foresees the potential for a decrease in property value overall in the county.

The highest equalized value in Mackinac County is in Clark Township with an SEV of

\$310,203,856, followed by the City of Mackinac Island with an SEV of \$289,747,557.

Ranked in order of SEV, other townships are Moran with \$123.1 million, Portage with \$117.8 million, the City of St. Ignace with \$111.3

million, Garfield with 110.9 million, Newton with \$63.9, Brevort with \$49.6 million, Bois Blanc with \$47.4 million, Marquette with \$47 million, St. Ignace Township with \$39.5 million, Hudson with \$22.4 million, and Hendricks with \$11.2 million.

LETTERS TO THE EDITOR

Reports 'Made in China' Tag on American Flag

To the Editor,

I was in Clare for the Memorial Day weekend and I attended a beautiful service at the cemetery. The lady next to me had an American flag that said "Made in China." Maybe we're actually lucky. Some day we might have one made in China with the Chinese symbol on it.

Lawrence "Ashcan" Furlott
Farwell

MICHIGAN POLITICS

By George Weeks



McCain, Obama Should Be Pressed on Great Lakes Protection

Every election year since the environmental movement gained traction in the late 20th century, political war dances have been held to drum up commitments for restoration and protection of the Great Lakes. The drums throb again.

As noted here previously, promises made have not been promises kept on either side of the aisle by governors or presidents.

Nonetheless, new rituals are underway in Washington and Lansing, including a commendable effort announced last week by the Granholm administration, the Michigan United Conservation Clubs (MUCC), and others to craft a Great Lakes Restoration Initiative to present to the next president.

It would include a pitch for federal bucks to fight pollution and invasive species that enter the lakes via ocean-going ships. (The invasive species issue was among those highlighted by Governor Jennifer Granholm in proclaiming June 7 to June 14 as Water Week in Michigan.)

Lieutenant Governor John Cherry, likely contender to be

Michigan's next governor, said, "We want to make the White House a true partner."

It has not been such a partner — as underscored by a report released in February by the Great Lakes Commission and Great Lakes and St. Lawrence Cities Initiative that underscored how states and cities are carrying the burden in light of unfulfilled Bush administration pledges.

Important as the pitch to the incoming White House will be, the immediate need is to get commitments from the presumptive nominees, Republican John McCain and Democrat Barack Obama.

In that pursuit, the Healing Our Waters-Great Lakes Coalition Friday in Buffalo launched a 13-city tour by *Earth Voyager*, a 60-foot sailboat, to highlight the need to get Obama and McCain to pledge "to fund the restoration of the largest freshwater resource in North America."

The tour includes participation in the July 12 to July 14 Port Huron-to-Mackinac Race, the July 19 to July 21 Chicago-to-Mackinac Race, and a July 24 to July 27 visit to Traverse City.

It's an interesting PR gig and a way to trumpet the issue. But the key thing is for Michigan voters to stress the issue as candidates campaign here.

Aging Queen of the Great Lakes

When I'm along shipping lanes of the lakes, I sometimes check out the passing parade with binoculars. One up-close treat has been watching ships pass from Lake Huron to Lake Michigan between Mackinac Island and Round Island, heading toward the Mackinac Bridge.

On Friday, I spotted the 102-year-old *St. Marys Challenger*, the oldest ship still in service on the Great Lakes (launched two years before Henry Ford launched the Model T and six years before the *Titanic's* doomed maiden voyage), which sought shelter in Sleeping Bear Bay off Glen Arbor.

It was carrying a \$1 million load of cement from Charlevoix to Ferrysburg just north of Grand Haven.

(For early Great Lakes ships, the Sleeping Bear lakeshore was both a haven and a graveyard. The narrow Manitowish Passage has protected harbors, but also treacherous shoals and some of the most storied wrecks of the Lakes.)

After several calls to the parent

company, I got the cell phone number of Captain George Herdina, who has skippered the 551-foot vessel for a quarter century. It was answered by Second Mate John McNabb of Harrisville in Alcona County, who said Herdina, while his ship was at anchor, was having "an afternoon siesta" after extended duty.

McNabb, who in his 40 years on lakes ships has gone to such Michigan harbors as Marquette and Munising, said that *Challenger* is not only the oldest boat still trading on the Great Lakes but also the "oldest U.S. flag" ship in service.

Fully loaded and facing southerly winds, "with gusts up to 35 miles an hour, there is no way we could get into Ferrysburg," McNabb said Friday. And that was before a tornado watch was posted for the shoreline *Challenger* would travel.

Stan Brubaker of Glen Arbor, former member of the State Waterways Commission, said the *Challenger*, which logs about 6,000 miles per season and also delivers to Chicago, Milwaukee, and Manitowoc, is the most frequent ship to shelter in Sleeping Bear Bay.

McNabb said Suttons Bay is the most common refuge for the self-unloading cement carrier, which has had multiple owners and names since it was christened as the *William P. Snyder* when launched in Detroit.

Challenger is among a dwindling number of steam-powered freighters on the Great Lakes. The *Milwaukee Journal Sentinel* in 2007 called it one of only two remaining ships still active on the Great Lakes powered by the classic Skinner Marine Unaflo steam engine, the other being the Ludington-based car ferry *Badger*, which is powered by two of them.

Challenger, while older than the Model T, bristles with modern technology, including satellite navigation system and weather radar.

If, on its July missions on Lake Michigan, the aging ship should spot *Earth Voyager* and its crew of environmentalists, it would be nice if it would sound its horn to thank those trying to restore the waters that have deteriorated greatly since *Challenger* first encountered its waves.

George Weeks retired in 2006 after 22 years as political columnist for The Detroit News. His weekly Michigan Politics column is syndicated by Superior Features.

Local Youths Raise \$467 for Bike-a-Thon



A group of local children rode their bicycles May 3 to raise \$467 for the St. Jude Children's Research Hospital. The money is enough to buy a wig for a child and to supply oxygen to one child for a day, reported organizer Cathy Nordquist. Children who participated in the ride include (from left) Mindy Nordquist, Trevor Kohlmann, Kevin Reichlin, Keely Gough, McKenzie Barr, Bradley Haske, and Madison Schram. The ride was based at Mrs. Nordquist's Cedarville home, where children rode laps back and forth on a closed street. A cook-out for the children followed at the Nordquist home. (Photograph courtesy of Cathy Nordquist)

PAPER PRICE INCREASE

Starting with next week's issue, the single-copy price of *The St. Ignace News* will be \$1 at newsstands and at retail outlets. Subscriptions will also increase in reaction to rising paper and postage prices.

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The quotation under the flag of *The St. Ignace News* on Page 1 is from the 10 triads written by Dr. Fred Newton Scott, creator and teacher of the first continuous course in journalism in the United States at the University of Michigan in 1890. The 10 triads are chiseled on the parapet of the Detroit News Building at 615 Lafayette Boulevard, Detroit. They were headed "Ideals of the Press" or "The Newspaper as a Free Society," and serve as a reminder of what a free press means to us.

Historical Society To Hold Election

The Michilimackinac Historical Society will meet Thursday, June 12, at 5 p.m. at the Marina Pub in St. Ignace to elect board members and officers. The public is welcome to attend the annual election meeting.

For more information, contact Judi Engle at 643-6627.

Community Yard Sale in St. Ignace To Be Held June 14

The St. Ignace Community Yard Sale will be Saturday, June 14, from 10 a.m. to 3 p.m., along North State Street in front of downtown businesses. Cost is \$10 to rent a 10-foot spot.

For more information, call the Chamber of Commerce at 643-8717.

St. Ignace News Policies

Letters:

All responsible letters will be considered for publication and may be edited. They must be signed and a telephone number must be included for verification. Personal thank-you notes, personal attacks against other people, form letters, and letters promoting political candidates are not accepted, although letters for or against ballot proposals are welcome.

Obituaries:

The St. Ignace News maintains a policy of not charging for obituaries and we do often add information or rewrite them for clarity and reader interest. Obituaries that the family wants published exactly as submitted can be placed in the newspaper for \$75. Photographs are welcome at no charge.

Weddings:

Weddings with photographs are published without charge within 45 days of the ceremony. After 45 days, a photograph can be included for \$35.00.

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