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Hartland Glen Development, L.L.C. v. Township of Hartland

Court of Appeals of Michigan - October 20, 2015 - Not Reported in N.W.2d - 2015 WL 6161517

In 2005, the Township of Hartland levied a \$792,000 Special Assessment for 144 Residential Equivalent Units ("REUs") for residential unit sewer taps on property owned by Hartland Glen Development.

The special assessment district originally allocated the REUs to the various ownership groups in the district, which were then divided equally across the various tax parcels each group owned. However, in 2011 the REUs were reallocated across the various tax parcels based on acreage, along with creating an additional supplemental assessment district to assess additional costs incurred by the district. This reallocation resulted in the transfer of 459.14 REUs to Hartland, for a total of 603.14 REUs, a levy of \$2,364,596.85 for those REUs, and a Supplemental Special Assessment of \$199,488.76.

The Michigan Tax Tribunal affirmed the special sewer assessments, including the Township's changes in 2011 to the initial assessments that were made in 2005. Hartland appealed.

The Court of Appeal held that:

- Hartland was not entitled to relief on the basis of either collateral or judicial estoppel;
- The Township possessed the statutory authority to reallocate the REUs; and
- The special assessment was valid because the benefits of the special assessments to the subject property outweighed the costs.