



January 16th, 2026

To: Presque Isle County Board of Commissioners
P.O. Box 110 Rogers City, MI 49779
Cc: Fahey Schultz Burzych Rhodes PLC
4151 Okemos Road Okemos, MI 48864

Subject: Establishing Equitable Multipliers for Grand Lake and Lake Esau Special Assessment Districts

Dear Commissioners,

On behalf of the Presque Isle Harbor Association (PIHA) Board of Directors and the **thousands** of property owners we represent, I am writing to formally address the pending determination of the assessment multipliers for the Grand Lake and Lake Esau Special Assessment Districts (SAD).

To ensure the long-term viability of these districts and maintain the trust of one of the county's largest taxpayer blocks, PIHA maintains that the **multiplier applied to all Association backlots must be set as close to zero as legally and equitably possible.**

This position is based on the following critical factors:

1. The Legal Reality of Benefits vs. Burden

Under Michigan law, a Special Assessment must provide a "proportional benefit" to the property being charged. There is a fundamental distinction between a primary lakefront estate and a PIHA backlot:

- **Absence of Riparian Rights:** PIHA residential lots are, by definition, backlots. Unlike true lakefront properties, our members do not possess exclusive riparian rights or private lake access.
- **Indirect Benefit:** Our members access these lakes only through shared Association Common property. Assessing these lots at a rate like riparian owners—who enjoy direct and exclusive "premium" benefits—is logically and factually incorrect.

2. Economic Impact on Undeveloped Land

The vast majority of PIHA property consists of vacant land, which requires a more nuanced approach than a "one size fits all" assessment:

- **Vacancy Statistics:** Of the 3,099 lots in PIHA, approximately 87% (roughly 2,700 lots) are undeveloped.
- **Non-Resident Status:** These owners do not reside in the development and do not regularly utilize the PIHA common property shared lake access.
- **Fiscal Risk:** Imposing an aggressive multiplier on thousands of undeveloped lots creates an undue financial hardship on owners who receive negligible value from the SAD. This approach risks property abandonment or tax delinquency on lots that currently provide stable revenue to the county.

3. Existing Financial Obligations

PIHA members already carry a significant financial load to maintain the area's infrastructure:

- **Mandatory Dues:** Members pay mandatory yearly dues to maintain the Parks, Clubhouse, Beach Houses, Campground, and trails.

- **Double Taxation Concern:** Layering an aggressive county assessment on top of these existing private costs penalizes residents for infrastructure they already fund

The Board of Commissioners has the authority to recognize that the value added by these SADs to a backlot is negligible compared to the value added to a primary lakefront estate. We urge you to implement a fair, nuanced assessment that reflects the unique legal structure of the Presque Isle Harbor Association.

We look forward to a decision that reflects transparency and fiscal responsibility. Our Association will be monitoring these proceedings closely to ensure our membership remains fully informed of the Board's decision and the individual votes cast on this matter.

Thank you in advance for your support.

Sincerely,

A handwritten signature in black ink that reads "Michael Grochola". The signature is written in a cursive, flowing style.

Michael Grochola Board President, Presque Isle Harbor Association