



Charter Township of Meridian
Brownfield Redevelopment Authority
Township Municipal Building, 5151 Marsh Road, Okemos, MI 48864
Thursday, May 8, 2025– Minutes -DRAFT

Members

**Present: Manager Tim Dempsey, Dave Ledebuhr, Jeff Theuer, Jim Houthoofd,
And John Sarver**

Members

Absent: None

Others

**Present: Amber Clark Neighborhoods & Economic Development Director,
Attorney Matt Kuschel of Fahey Schultz Burzych and Rhodes**

1. **CALL MEETING TO ORDER**

Chair Theuer called the regular meeting to order at 9:00 a.m.

2. **APPROVAL OF THE AGENDA**

Director Ledebuhr moved to approve the agenda with the amendment to include the Okemos Pointe Brownfield Collateral Assignment to New Business. Supported by Manager Dempsey.

VOICE VOTE: Motion carried unanimously.

3. **APPROVAL OF THE MINUTES**

Approval of Minutes,

Director Sarver moved to approve the March 13, 2025 Meeting Minutes Draft,
Supported by Director Houthoofd.

VOICE VOTE: Motion carried unanimously.

Director Houthoofd moved to accept the subcommittee formed to elect officers for the 2025 BRA Officer position. The Election Committee March 24, 2025 Meeting Minutes Draft, are included. Supported by Director Ledebuhr.

VOICE VOTE: Motion carried unanimously to accept the report from the March 24, 2025 subcommittee meeting minutes.

4. **PUBLIC REMARKS**- None



5. **OLD BUSINESS**

a. Recommendation of New Officers

Chair Theuer asked if someone is willing to move the motion included in the packet materials. Motion reads: Move to set the 2025 elected officers of the Brownfield Redevelopment Authority Jeff Theuer as Chair, Jim Houthoofd as Vice Chair, and Amber Clark as recording secretary.

VOICE VOTE: Motion carried unanimously.

b. Brownfield Policy Program and Procedure Update – Housing Eligible Activities

Chair Theuer asked Director Clark to give a general overview of where the Brownfield Redevelopment Authority Program, Policies, and Procedures stands with an amendment to include “Housing” as an eligible activity. Director Clark provided a general overview that the Township Board has seen the included policy amendment and is prepared to move the item for approved action at their Board meeting that evening. The Township Board has several discussions in general about the practice of Brownfield Plans, how they work, how housing is an eligible activity and how it will work to enhance affordability in the Township. Now a developer proposing a Brownfield Plan supporting the construction/rehabilitation of housing units that supports income at 120% or below of the area median income would qualify. Director Clark explains that she will work to focus the Board’s attention on the program as an incentive and that it is not an affordable housing program/policy. If the Board is interested in an affordable housing policy that should be one that is made separate that a developer can use in order to meet certain parameters for programs within the Township. Due to the fact that this incentive is formulated from the amended public act 381 of 1996 to the current PA 90 of 2023, the powers of the Authority are based only in an approved Plan and reimbursement agreement. This discussion comes into play when determining an ‘affordability period’ of for sale dwelling units that may be proposed in a Plan. Brownfield Plans are to be assigned should a sale of a property occur. There are clauses included to set protections for the For-sale dwelling units. The Township also has a leg of this program to create an affordable housing fund to support additional affordability options in the community. At any time for sale dwelling unit can be sold at the County sale limits set by the Michigan State Housing Development Authority.

Director Ledebuhr asked what the Area Median Income is. Director Clark responded that County wide the AMI is about \$76,000. The Township has a higher AMI at \$80,000. Director Sarver asked about income verification. Director Clark noted that annual income verification is required by the Township and MSDHA. Members discussed that this is a general policy that can be amended should a need arise. There is no one way to include housing as an eligible activity, just so long as an approved Plan continues to provide the ‘but/for’ argument of a public good.



Chair Theuer asked about the reimbursement capture period. Attorney Kuschel responded the law allows up to 30 years. Each Plan will be project based and determined by the BRA during the application review process.

Chair Theuer asked about for sale dwelling unit will compare if sold before the 20 year Plan ends. Attorney Kuschel responded that we aren't sure how the for sale will completely pan out. That said a sale after 7 years could end the Brownfield Plan and it would no longer qualify as a reimbursable element anymore. That is why there are years set, and specific sale prices of for sale dwelling units must meet. After 7 years a home owner would have the ability to sell the price at Market rate. That could help the Township pay back the reimbursement faster considering the uncapping of the parcel. Potentially we may have to make some plan amendments should a developer include for sale dwelling unit components in a Brownfield Plan. At the sale of a property included in an approved Plan, the title company should notify the end user of the conditions. The title and deed are recorded. The developer should respond in good faith and notify the Township. If people determine not to do what is asked in the Reimbursement Agreement, there are steps to the Township being notified. If a Plan is breached there are options for the Township to support itself through the approval and construction of the new units. Attorney Kuschel suggests that in the future there may be additional parameters we'd like to put into place to continue to drive development, and create an incentive that provides the community with amenities. Attorney Kuschel asked about the difference between for rent and for sale 20% requirement. Director Clark explains that for rent units should include all unit types at 20% of each unit type as proposed for the rent loss calculations. For sale dwelling units can't propose more than 20% so that no development will subsidize more than 20% of for sale to ensure that no property supersedes the intent of the program. Attorney Kuschel noted that we will keep an eye on the policy and how developers choose to use the program. The law allows for Payment in Lieu of Taxes of PILOT abatements as well as TIF incentive. He notes that we should expect to watch how the program is utilized locally and respond with any necessary changes (zoning, abatement, incentive requirements etc.) Manager Dempsey stated that this is a relatively new dynamic use of Brownfield TIF. It will continue to be a process as we work with our traditional builders, especially for multifamily. Builders are pushed toward the high end housing market as the pressure from construction costs continue to drive developers to looking into the use of incentives to make projects financially feasible. This policy will be a work in progress.

Motion made by Director Ledebuhr to adopt the modifications to the Brownfield Redevelopment Program Policies, and Procedures incorporating the proposed changes, permitting housing as an eligible activity under PA 90 of 2023. Supported by Director Sarver.

VOICE VOTE: Motion carried unanimously.



6. **NEW BUSINESS**

a. New Authorized Signers

Chair Theuer noted that the authorization of new elected officers correlates to new authorized signers for the Brownfield Redevelopment Authority. Director Clark provided additional background on the resolution, noting that the Township Manager, Township Treasurer, Chair of the BRA, and Vice Chair of the BRA will be the authorized signers. The bank requires a formal motion in the meeting minutes, as well as authorized paperwork held on file with Independent Bank. This provides security for any withdrawals, purchases, or check signing will be done by these authorized persons.

Motion made by Director Ledebuhr and supported by Member Houthoofd to adopt the 2025 Authorized Signer Resolution of the Brownfield Redevelopment Authority of the Charter Township of Meridian. Authorized Chair Theuer, Vice Chair Houthoofd, Township Treasurer Phil Deschaine, and Township Manager Timothy Dempsey, as authorized signers.

ROLL CALL VOTE: Director Sarver- Yes, Manager Dempsey- Yes, Director Theuer- Yes, Director Ledebuhr- Yes, Director Houthoofd- Yes.

Motion carried unanimously.

b. Reimbursement to Meridian Township General Fund – Legal Fees Fahey Schultz BRA Policy Review

Chair Theuer opened the item with a general statement that the attorney fees for Fahey Schultz Burzych and Rhodes are paid for by the Township’s General Fund. It is the BRA’s policy to review the fees and reimburse the Township’s General Fund. Chair Theuer asked the BRA members if there were questions or comments on the items. None were provided.

Motion made by Director Houthoofd to approve the following payment to be issued from the MTBRA Administrative dollars and reimburse the General Fund for legal fees, in the amount of \$1,695.00. Supported by Director Sarver.

ROLL CALL VOTE: Director Ledebuhr- Yes, Manager Dempsey- Yes, Director Theuer- Yes, Director Sarver- Yes, Director Houthoofd- Yes.

Motion carried unanimously.

c. Okemos Pointe Brownfield Collateral Assignment

The new item added to the agenda at the beginning of the meeting is a discussion over the collateral assignment of the Okemos Pointe, commonly referred to as Elevation



Apartments Brownfield Plan. The assignment is a request from Okemos Pointe to change the loan entity that is assigned first position related to the TIF disbursements, should Elevation falter on their current financing loan. Attorney Matt Kuschel presented the item as the reimbursement agreement assignment for Elevation Apartments Brownfield project. The developers of the Elevation site have sought new lenders for their current financing of their project. As a part of that new financing partner, an assignment of any capital collateral related to the project must be turned over to the new entity. Brownfield Plans are “assignable”, meaning the Plan and Reimbursement agreements can be assigned to new entities as they relate to the project site. The lender is seeking the reimbursement agreement to be put up as collateral of the loan. If the developer breaches their term agreement with the lender, the lender can come to the Township that the payments that should be issued to Elevation Apartments will then go to the lender. This is a similar change to a collateral assignment by Elevation Apartments two years prior. This is also the notification of the change of the assignment and it allows the BRA to consent to the assignment.

VOICE VOTE: Motion carried unanimously.

7. **PROJECT UPDATES**

Director Clark noted that an MTT for the American House Meridian project that has an active capture for their approved Brownfield Plan. All of their work is complete and they are scheduled to receive disbursements as taxes are paid. Due to the strict policy forbidding an appeal on a project site that receives Brownfield incentives, the Township Treasury department will hold onto the disbursements until after the MTT issue is settled. Capture will continue on the property and funds will be calculated. Funds will not be issued until the Township solves the issue of the MTT. All of the approved MUPUD requirements have been met.

Haslett Marathon will also have a held disbursement for their upcoming reimbursement as they have not completed all of the remaining Planning items for the site. The Community Planning and development department did allow the Haslett Marathon (1619 Haslett Road) the ability to hold off on installing the required bike rack during the COVID-19 pandemic. Now that we are clearly out of the pandemic protocols, the bike rack should be installed. Community Planning and Economic Development Staff have reached out to the property owners multiple times related to the distributions without any reply back from the property owner. The checks will be held until a discussion with the property owner provides the Planning department direction on the bike rack issue.

Director Clark gave a few comments related to Township wide projects. Specifically Grand Reserve and Knob Hill, both DTN projects. Knob Hill is a reconstruction of 30 units that burned in a fire in 2022. The single bedroom units start at \$1500/mo., with two bedrooms at \$1800/mo. That is market rate for an updated apartments with laundry in Meridian Township.



8. **PUBLIC REMARKS - None**
9. **ADJOURNMENT - 9:43 a.m.**