

THORNAPPLE TOWNSHIP BOARD, Barry County, Michigan

Minutes of the Special Meeting of the Thornapple Township Board, which was Held on May 9, 2024, at 6:00 pm. at the Thornapple Township Emergency Services Building at 128 High St., Middleville, MI 49333

The meeting was called to order at 6:00 p.m. by Supervisor Schaefer.

Invocation

Pledge of Allegiance

Attendance Roll Call:

Present: Bouchard, Campbell, DeMaagd, Ordway, Rairigh, Schaefer, Selleck

Absent: None

Approval of Printed Agenda:

Motion by Campbell, Support by Bouchard to approve the Printed Agenda as presented.

Approved by voice vote. 7 yes and 0 no votes.

Opening Statement

Supervisor Shaefer announced that the developer, Nate Heyboer and his consultant, Marcus Ringleke were here to respond to questions and concerns about the proposed MidVilla Redevelopment plan.

Public Comments and Responses

1. Q: David Laansma-Currently Yankee Springs Twp Precinct Delegate and in the running for Commissioner for District 2 of Barry County. Thanked Heyboer and Ringleke for their previous candor and participation in these information events. Concerned about the financial burden upon the community regarding Sewer and Water; Property was purchased in November of 2021. The proposal at that time was substantially less and seemed to be workable at that time. Why now in 2024 is the need up to \$4.5 million? These funds could be used by the Village of Middleville for other services. What changed from then until now?

A: Answered by Kevin Smith, President Pro-Tempore of the Village of Middleville on behalf of the Village- This is a means of providing affordable housing and that is a gain. Nate Heyboer has made a large investment this far and costs have been increasing. This is a gain because we will have affordable housing in the long term. And this program, TIF, is needed to offset developer expenses to provide the need of affordable housing.
2. Patrick Jamison-Resident of Yankee Springs Township, employee of Bradford White. \$1,200 for a one-bedroom apartment is not affordable for me on one income from Bradford White. Concern is also increased traffic.
3. Keara Hilton-Believes in deferred gratification, hard work. Seems cart has led horse. Lender approval was obtained in 2023 with full funding. Concerned now why there is a need for a 15-year tax break when everyone else in the community who is a taxpayer does not. Does not see any added value or benefit except to the developers. Concerned about high traffic volumes and additional crime. Middleville does not have as many amenities as neighboring communities and doesn't feel that tenants will do business in

Middleville but will travel North instead. Owns rentals in the city and rents there are less than they would be here at this project at \$1,400 for a three bedroom.

4. Doug Powers-Referencing the letter from lender approving financing; the letter is only indicative of an available line of credit. Also traffic studies have been done and all have been approved by MDOT. Encourages anyone with questions to come and discuss in person at a separate meeting.
5. Brenda Coles-this project is for 15 years. At the end of the 15 years at the time such plan is finished, 15 years of "wear and tear" have taken place on the housing unit structure. Concerned about the maintenance and the rundown after those 15 years.
6. Katie Stanton-My family moved here for the investment of schools and neighborhoods. The developer looks at it as a 'moneymaker'. The residents of the affordable housing are also voting in future elections such as millages. The consequences of increased taxes do not affect them. We have contributed and paid taxes. This also requires negotiation that the developers didn't provide.
7. Nate Heyboer (Developer)-1.) This PUD (planned unit development) has been approved for 3 years which includes 3 additional commercial lots. Currently, I pay \$30,000 in property taxes on the entire project. Those three lots have the potential of generating up to \$600,000.00 in future property taxes. 2) Approval was never obtained last time. The plan wasn't ready. 3) Has a working relationship with Mercantile Bank. They are willing to work with us. 4) Schools are not affected. State pays the schools back. 5) Affordability: Not affordable for a recent graduate. This is designed for those who can't quite afford it. These are created as a steppingstone to help to solve the current problem. 6) The rent would need to be at least \$2,200 for each one-bedroom unit for me to get financing. These funds are needed to keep the rents low. 6) Affordability comes from the State and the County by not passing increases to developers
8. Marcus Ringleke-1) changed from original proposal, 2) About the program-State has modified the program to include 'workforce housing". Rents are affordable in comparison to others. 30% of AMI is determined by the State. There is technical guidance. In this case, potential renters must make between 80-120% of total AMI. 3) Of the \$4.5 million TIF request, approximately \$200,000 is the projected capture from the Township. 4) The Village desires to maintain the rural feel. 5) This is multi-jurisdictional. The entire \$4.5 million will be going entirely to reduce the rents. The rent subsidy is what makes this affordable. 6) We have no reason to mislead anyone. 7) The Township Board has a regular monthly board meeting on Monday, May 13. Nate will be in attendance and there will be more opportunities to discuss concerns then.

Additional Public Comment and Response

1. Debra Coles-Many people, as many as possibly 10 people may occupy a two-bedroom apartment. Concerned about the increase in public service calls such as emergency services.
2. Nate Heyboer-Multiple conversations have taken place with the Fire Chief. The buildings will all be sprinkled which leaves time for a ladder truck to arrive. Also, occupancy is regulated by the State.
3. Debra Coles-Concerned about maintenance and management companies being vetted. Will management be 'farmed out' and then you leave town? Will elected officials have any authority over that? Code Enforcement?
4. Nate Heyboer-Has a track record of other projects that have been done in the past. These are highly regulated in terms of monitoring income and rent.
5. Marcus Ringleke-The Village contracts with the Barry County Sheriff and they annually review those contracts. I think that they have 4 officers approved. Crime has been flat. This does not affect Barry County Sheriff's office to cover the extra residents. The Village and Township can review the 'gray lines' of where the township can cover the need. Statistically 140 units won't significantly affect services; and not as much traffic as single-family housing. We've had conversations with the Chief who understands the need for fire coverage.
6. Katie Stanton-If this TIF doesn't work, will you walk away?

7. Nate-Heyboer-Until another program comes along that we can afford. The mini-storage units won't be built until the apartments are built. We have some buyers of the commercial lots. We already have purchase agreements which I cannot discuss. We have non-disclosure agreements that we need to abide by.
8. Marcus Ringleke-Many of the out-lot purchases are interested in housing.
9. Nate Heyboer-Has worked very hard to keep everyone happy. Purchased an oil line to make this work. I have a commitment to make this work for everyone. We have a lift station and can maintain it. At this point, we are asking for a resolution to allow the County Brownfield Redevelopment Adm to vote.
10. Keara Hilton-Doesn't think Nate is a bad person. Charismatic. Other developments are Riverstone at 36th and Baldwin in Hudsonville. The management company works for the State. There is a project that the TIF was only for 7 years. Does not know of others for 15 years.
11. Nate Heyboer- This program could have been for 30 years for \$11 million.
12. Doug Powers-TIFs are typically for 20 years.
13. Keara Hilton-These programs are intended for larger cities to attract affordable housing to enter the work force.
14. Marcus Ringleke-This program is on a county-wide basis. We set these at the lowest rate possible.
15. Keara Hilton-Intended for cities where affordable housing is needed. Cities are walkable. We have a very small town. Everything stated so far is great. But how does that apply to Middleville and the number of residents? This will have a huge impact on a small town. 15 years is too long.
16. Marcus Ringleke- Affordable housing is the top need county-wide.
17. Doug Powers-This PUD is approved by the State already. So nothing can be done about that now.
18. Kevin Smith-Village vs Township. We're looking at this as \$4.5 million TIF. It impacts the township by about \$250,000.00. The school is reimbursed by the state.
19. Randy Eaton-When more kids are in school as a result, the school will come back to the residents and ask for a millage for additional buildings.
20. Marcus Ringleke-The school is in support.
21. Katie Stanton-School personnel I talked to are not in support.
22. Curt Campbell-Township Board-Where are the other properties.
23. Doug Powers- Hamilton- Flats
24. Tom DeVries- 1) Middleville needs more housing. 2) Schools like students and the money that follows. But then they need to fund more kids, which is a bigger issue. 3) Question-not hostile or anti-project; If this is granted over 15 years, it works out to about \$2,000 funding per unit. Will the rent be reduced to help the community? Will rents be set by market demand?
25. Nate Heyboer- The rental rate will go back to what the market demands after 15 years. The apartments are approved already. Won't go down the rabbit hole. This project is available and affordable.
26. Doug Powers- 950 more units will be needed in the future in the Village of Middleville per a 2022 study.
27. Patrick Jamison- Is there contamination? Thought Brownstone was for contaminated sites.
28. Nate Heyboer- Brownfield was initially designed for contaminated sites. Recently redevelopment of housing was added to the program.
29. Tom DeVries- To Patrick's point, it seems as though extra money is going to the developer. If it doesn't, it's saving renters money.
30. Patrick Jamison- Doesn't like the master plans wanting many more apartments in the village and township.
31. Makenzi Peters- Village of Middleville-Looking at the larger picture. Needs housing for her employees who currently work at her facility and want to live in Middleville.
32. Randy Eaton- If this goes through, not against the development; against the residents who will be held responsible.
33. Debra Kolberg- Does the Village have any say over which companies can come?
34. Doug Powers- Yes, we can control. Once a purchaser makes an offer, it then comes to the Village for approval.

35. Debra Kolberg- Did a google search on some of the management companies being used on previous projects and found some not so great reviews. Issues with quality and mismanagement.
36. Catherine Getty- Addressed previous financing as discussed earlier before she arrived.

Final Remarks

Randy Eaton- More volume with Fire and EMS calls.

Public Comment – None.

Poll of Members

Selleck- Liked that only the improvements are included in the recapture. Also, Selleck IS running for Thornapple Township Board Trustee. His name was not included in the most recent issue of the Sun and News.

Rairigh- Concerned that this will have an impact on our Emergency Services.

DeMaagd- Opinion of the project as a whole: To not collect taxes that we won't get anyway, not an issue. The Fire department may have an increase in runs. Just comments.

Campbell- \$4.5 million TIF. How does this break down to each agency? \$200,000 from the Township-does that include what we will not get from our fire millage? At the end of 15 years, rents will go back to market demands and factors.

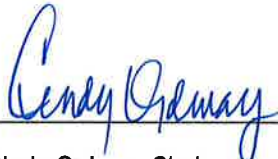
Bouchard- Thank you for coming. When will the project be approved by the Village?

Ordway- Concerned about Thornapple Township residents and their ability to support their families. The Township will be asking for a millage renewal to fund our Emergency Services in August. But then we may be subject to the capture of those specific Emergency Services funds for this project. I have a huge sense of compassion for taxpayers.

Schaefer- Thank you for coming. Regarding the lift station, will the Village maintain that? The lift station will be privately maintained. The Village does not have the capacity to maintain it currently. The funds captured from this project will go to subsidize the rent.

Adjourn

Motion by Campbell, support by Selleck to Adjourn. Meeting adjourned at 8:26 p.m.



Cindy Ordway, Clerk
Approved 6-10-24
