



CITY OF NOVI CITY COUNCIL
MARCH 23, 2026

SUBJECT: Approval of a Resolution of Intent to Create and Provide for the Operation of a Brownfield Redevelopment Authority for the City of Novi.

SUBMITTING DEPARTMENT: City Clerk

KEY HIGHLIGHTS:

- The Ordinance Review Committee (ORC) discussed and recommended proceeding with establishing a City of Novi Brownfield Redevelopment Authority (BRA).
- This is the first of a six-step process to establish the BRA.

BACKGROUND INFORMATION:

Currently, in order to take advantage of funding sources to remediate environmental contamination using a Brownfield Redevelopment Authority (BRA), the City uses Oakland County's BRA, which means any brownfield-related projects must go through the County's lengthy process (Board of Commissioners committees and then full board consideration) with limited input by the City on the financing aspects of the development plan. Additionally, the County collects fees on all projects in the City and can use them for various County activities elsewhere.

All told, the City has approved three (3) Brownfield-related projects to date using the County's BRA:

- Sakura
- Dunhill Estates
- Villas of Stonebrook

Those projects all resulted in *environmental* benefits (e.g., cleanup) for the City, and the County was fine to work with on each of them.

But it is somewhat unusual for a city of Novi's size not to have its own BRA to accomplish the same project and financing approvals in a more efficient way, while capturing some of the revenue from those projects for the City's use in connection

with other future projects. That revenue-capturing ability is a primary reason why this topic is being introduced now.

Another reason is that the City is likely to see more of these brownfield requests since the State has expanded the context in which brownfield resources can be used. As a result of new State laws, a BRA can now be used for housing development proposals that meet certain requirements and for larger projects—transformational projects—that are approved through the State. So “Brownfields” will now fall into three potential buckets:

- Traditional contaminated site clean-up
- Housing TIF (all captured taxes come from City Millages to encourage development)
- Transformational Brownfield (captured taxes come from City Millages and state sources)

By creating a local BRA instead of remaining under the County's the City would have local decision-making in all future brownfield redevelopments, including the use of tax increment financing (TIF) to fund eligible activities, and potentially attract private investment, most importantly, have oversight of the collected taxes. Additionally, BRAs may collect administrative fees to cover the costs of managing the program, including reviewing plans, aiding developers, and managing TIF capture and disbursement.

This is the **first step** in establishing the Brownfield Redevelopment Authority:

- 1. Prepare a Resolution of Intent**

The City Council adopts a *Resolution of Intent to Create a Brownfield Redevelopment Authority*. This resolution declares the Council's intention to establish the Authority and sets the stage for a required public hearing. Sample language is included in the attachments.

The **next steps** in the process will be:

- 2. Public Hearing and Notice**

Before creating the BRA, the Council must hold a public hearing. Public notices of the hearing must be published and posted in accordance with state law (typically in a newspaper of general circulation and posted in public places). This ensures transparency and provides affected residents and stakeholders an opportunity for input.

- 3. Adopt Establishment Resolution**

Following the public hearing, the Council acts on a *Resolution Establishing the Brownfield Redevelopment Authority*. This resolution formally creates the BRA and typically includes provisions for appointing board members to serve on the authority.

- 4. Appoint Board Members and Adopt Bylaws**

Once established, the Council appoints the BRA board members (usually five to nine members, though local bylaws may determine specific numbers, terms, and qualifications). The Board then adopts bylaws governing its internal operations, meetings, quorum rules, and officer roles.

- 5. Coordinate with County and Taxing Jurisdictions (if applicable)**

Once it's established, if the BRA will overlap or coordinate with County brownfield efforts or involve property in multiple jurisdictions, the Council may also adopt resolutions consenting to participation or concurrence in joint Authorities and provide necessary notices to all affected taxing jurisdictions.

6. **Ongoing Compliance and Plan Adoption**

Once the BRA is established, subsequent steps include preparing Brownfield Plans and Act 381 Work Plans for specific redevelopment sites will happen as and when needed. Public hearings and notices are required for adoption of any site-specific Brownfield Plan before TIF or incentives may be utilized by the Authority.

Because the City seems likely to see more requests for Brownfield funding, and because there is a good argument to be made that the City should be closely involved in these funding and development decisions, the ORC has recommended that the City establish its own BRA.

RECOMMENDED ACTION: Approval of a Resolution of Intent to Create and Provide for the Operation of a Brownfield Redevelopment Authority for the City of Novi.