

**MASTER PLAN  
SURVEY ANNOUNCEMENT**

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# MEMORANDUM



**TO:** PETE AUGER, CITY MANAGER  
**FROM:** BARBARA MCBETH, AICP, CITY PLANNER  
**SUBJECT:** 2022 MASTER PLAN UPDATE  
**DATE:** MAY 24, 2022

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The 2022 Master Plan for Land Use Steering Committee has met twice so far this Spring to review materials provided by the city's consultant and planning staff, and to give direction and insight into the 2022 Master Plan Update. Meetings are scheduled once per month for the remainder of 2022, and are open to community members who would like to attend. Information on the Master Plan update can be found here: [2022 Master Plan Update | City of Novi](#).

At the Steering Committee meeting held on May 4<sup>th</sup>, the Committee reviewed a draft survey intended to be shared widely with anyone who lives, works, and/or owns property in Novi. A public engagement strategy has been established and is in the process of being implemented with the assistance of Community Relations, starting with sharing the Master Plan Survey. The survey asks questions about the top three things respondents like about Novi, the three biggest challenges respondents think Novi will face over the next ten years, and the overall quality of municipal services. The survey also asks questions related to transportation/mobility, the local economy, natural features, housing choices and affordability, and parks.

Survey questions have been tailored to how the respondent answers the questions; for example, if someone answers that they are older than 24, the respondent will be answering questions for adults. If the respondent answers that they are younger than 24, they will be directed to answer questions appropriate for teens and young adults. Questions are also tailored to how a person answers the question *Do you live in Novi, work in Novi, own property in Novi, or all of the above*.

We encourage everyone over the age of 11 who lives, works, and/or owns property in Novi to take the survey. You can take the survey [here](#). We anticipate that the survey will remain open for the next four weeks. The results of the survey will be used to help shape the new Master Plan.

We have developed postcard-size announcements with a link to the Master Plan Survey provided as a QR Code, as well as the link to the dedicated webpage. An image of that postcard is provided below. Planning staff attended the Spring Palooza last Friday evening and engaged members of the public with information and requested that they and their friends and family take the survey, if they wish. Staff looks forward to reviewing the responses and sharing those with the Committee members once the survey has concluded.



**HELP SHAPE NOVI'S FUTURE**



# CITY OF NOVI

2022 MASTER PLAN UPDATE



[CITYOFNOVI.ORG/2022MASTERPLANUPDATE](http://CITYOFNOVI.ORG/2022MASTERPLANUPDATE)



# CITY OF NOVI

2022 MASTER PLAN UPDATE

We're reviewing and updating Novi's Master Plan to guide future land use and transportation decisions while protecting the things that make Novi special. Community input is important and helps shape the revised plan.

## SHARE YOUR IDEAS ONLINE!

Simply take an online survey (via the QR Code) to provide your feedback on the City's Master Plan revision.

Visit the 2022 Master Plan Update page on the City's website ([cityofnovi.org/2022masterplanupdate](http://cityofnovi.org/2022masterplanupdate)) to remain informed throughout the process and learn about more opportunities to be involved.

**IT'S YOUR NOVI. PLAY A PART IN SHAPING THE FUTURE!**

WHAT'S YOUR  
**VISION** FOR  
NOVI?

WANT TO HELP  
SHAPE THE  
**FUTURE?**

WE NEED YOUR  
**INPUT!**



# Spring Palooza!

Community Development Table

Staff present: Barb McBeth, Lindsay Bell, Rick Meader, James Hill

James answered questions about future land use and zoning



Lots of people engaged with the Community Development team at Spring Palooza. Residents were informed about the newly released survey on the Master Plan update.

Lindsay and Rick explained the Non-Motorized Master Plan map, including missing sidewalk segments and future projects



**DEMOGRAPHICS**  
**FIRST DRAFT**

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# INTRODUCTION

Novi is a thriving community in southeast Michigan. Incorporated in 1969, the city has historic roots as far back as the early 1800's when it was settled as a farming community. It remained relatively rural until the mid-1900's as new transportation networks in the region knitted the then-Village of Novi into the fabric of metropolitan Detroit. When the village became a city in 1969, the population was roughly 9,700. From the 1970's to today, new subdivisions have made Novi into one of the most diverse and populous suburbs in the region with a total population of 66,243 in 2020. This Master Plan Update reinforces the city's commitment to keep Novi thriving into the future.

The city's location is one of its biggest strengths, both from the standpoint of residents as well as businesses. Easy freeway access with interchanges on Interstates 96, 275, and 696, along with connections to state highway M-5, give the city convenient access to Lansing, Detroit, and Ann Arbor as well as Detroit Metropolitan Airport. The access afforded by the interstates has allowed Novi to attract and retain significant regional commercial development, including a destination retail cluster and a regional convention center. These developments are less than two miles apart and attract thousands of people throughout the year. The city's freeway access also attracts numerous businesses, including industrial and technology firms, making the area an important employment center in the region.

Residents enjoy excellent schools and a diverse housing stock that includes everything from apartments to luxury homes. The city also maintains a diverse park system that includes a growing trail network along with active and passive recreation opportunities. From its access to 670-acre Walled Lake at the city's north end to its community sports fields at the city's south end, residents can enjoy a variety of water and field sports. Playgrounds and nature areas are integrated into the city's built environment.

Maintaining and enhancing these strengths will be important to continue the city's success into the future. This 2022 Master Plan Update will explore the City's strengths and weaknesses while seeking opportunities to enhance the quality of life for its residents.

## **WHAT IS A MASTER PLAN?**

A Master Plan is a community's long-range guide for the future. It illustrates the vision for the future and contains guiding principles that help a community create sustainable land development policies and make informed land use decisions. In Michigan, master plans are recognized as an important community document, which is why the state requires the Master Plan be reviewed every five years. This review allows communities to check their progress and ensure the vision and guiding principles are still relevant.

Combined with the expertise of city staff and the knowledge of its officials, public input is a key part of the master plan process, as well as its implementation. The master plan process typically

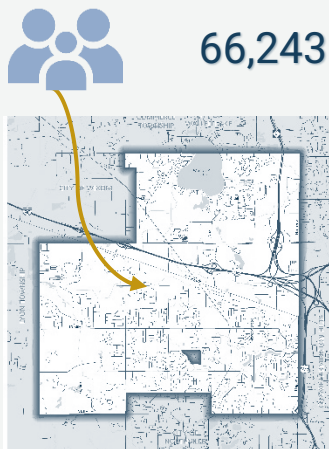
starts with understanding existing conditions such as demographics, market strength, and land use patterns and reconciling them against forecasts for growth. The remaining part of the planning process involves building consensus on where the community wants to go and creating a strategy for how to get there.

## DEMOGRAPHICS

A strong understanding of a community’s demographics and its socioeconomic attributes is key to ensure the master planning process culminates in developing strategic goals and actions to guide inclusive growth and development in Novi. Through the medium of a graphic data dashboard, this section will touch on the city’s major trends. In addition to city-wide trends, this section also presents regional comparisons to enable a holistic understanding of large-scale influences on growth and development in the city. To this end, the regional comparison in the plan is divided into two categories; “Surrounding Communities” refers to the municipalities that share boundaries with Novi, and “Similar-sized Communities” refers to proximal municipalities with comparable population numbers. This section uses the data from the decennial censuses, American Community Survey 5-year estimates, and the Southeast Michigan Council of Governments (SEMCOG) Community Profile to analyze Novi’s demographics over time.

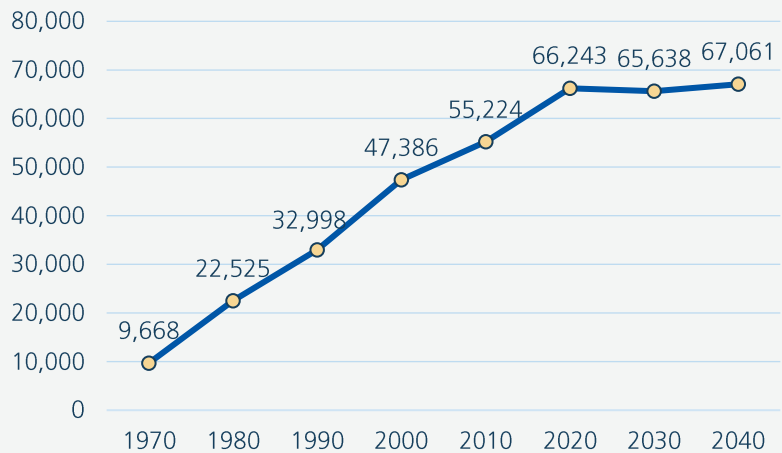
### DEMOGRAPHIC PROFILE

Fig xx: Population, 2020



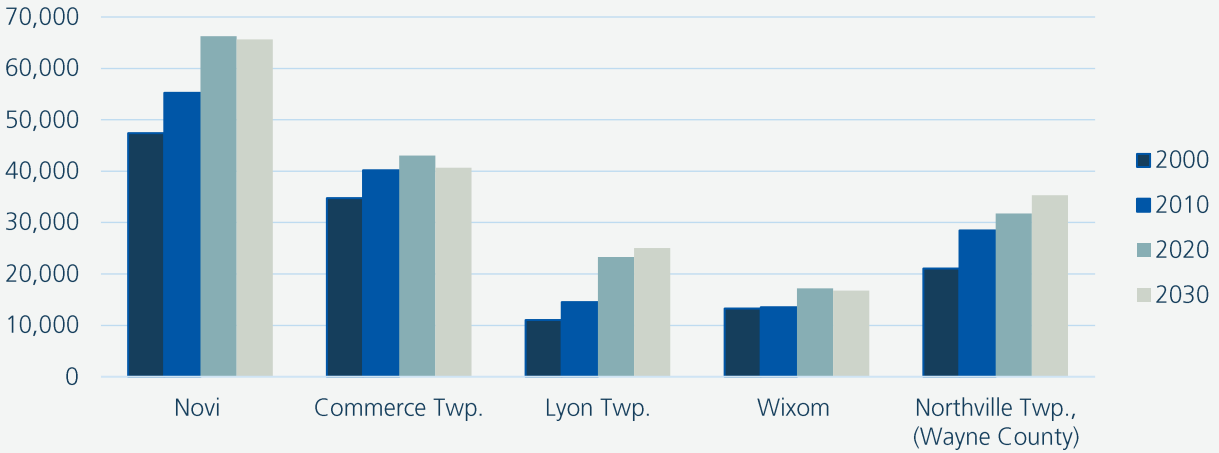
The 2020 census records the total population in Novi to be 66,243.

Fig xx: Population Growth, 1970–2020



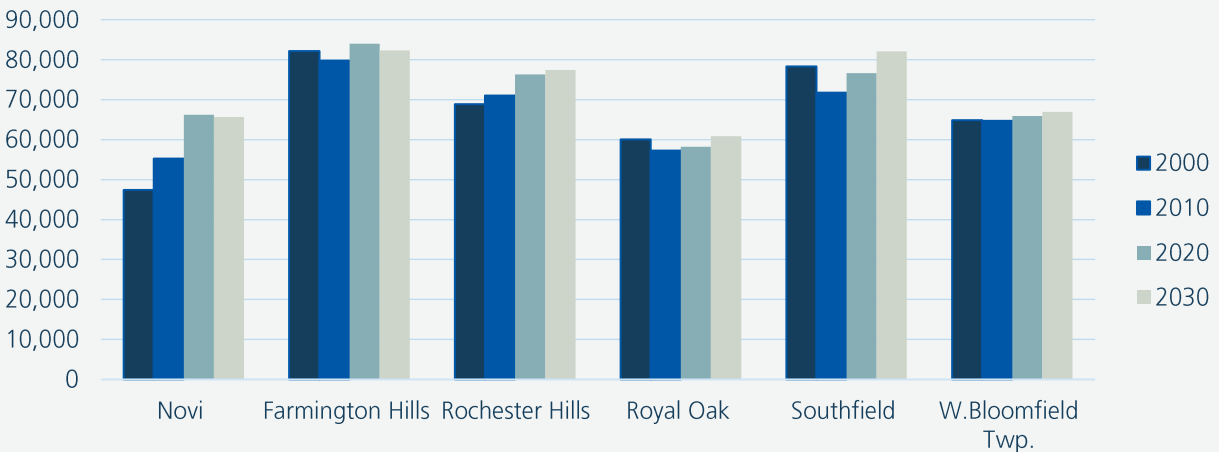
Novi has witnessed dramatic population growth since its incorporation as a city in 1969; while the population growth has slowed in the last decade, the city still saw an increase of almost 20% from the 2010 estimates of 55,224.

Fig xx: Population Change: Surrounding Communities, 2000–2030



While population increase is consistent across nearby communities, the pace of growth varies; the growth rate of Lyon Township (60%) and Wixom City (27%) outpaced Novi (20%) in the last decade. Additionally, SEMCOG population forecasts predict a slight dip (less than 1%) in Novi’s population by 2030.

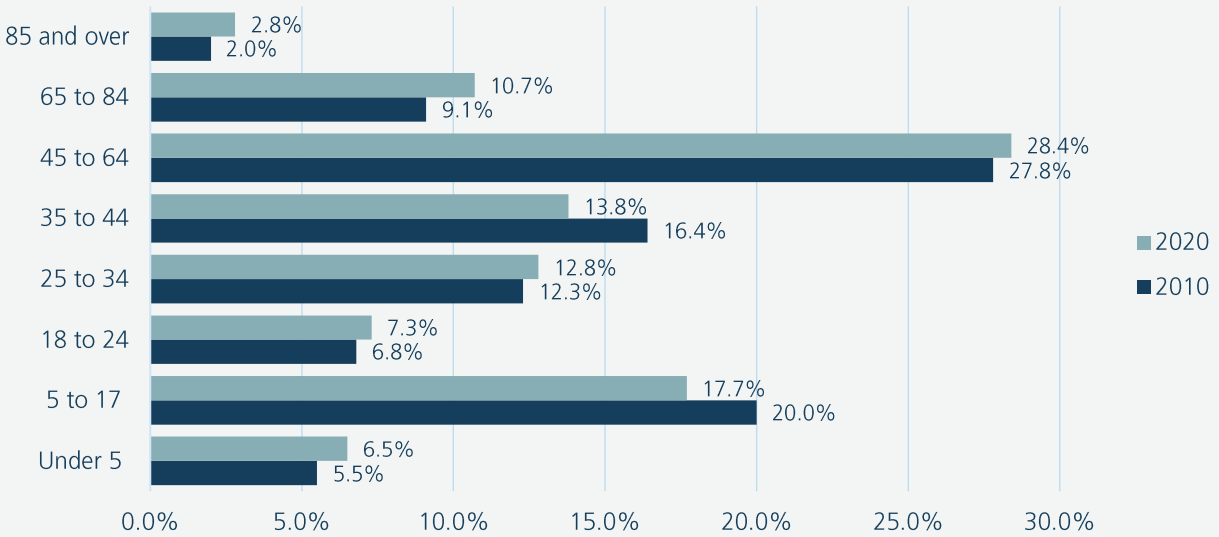
Fig xx: Population Change: Similar-sized Communities, 2000–2030



Between 2010 and 2020, Novi outpaced the growth rate of the Oakland County (6%) and other similar-sized communities in the county. However, all communities other than Novi and Farmington Hills are projected to grow in the current decade, indicating the city will not follow the regional growth trends.

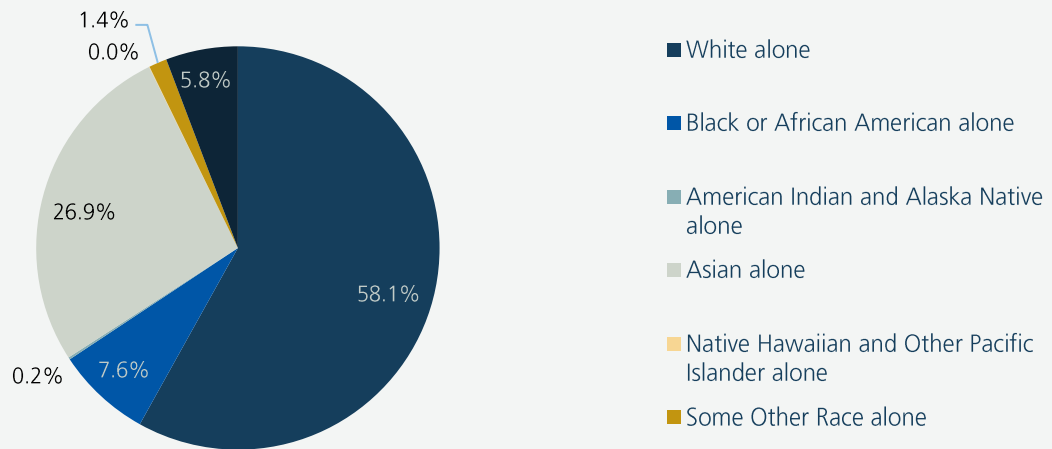


Fig xx: Age, 2010–2019



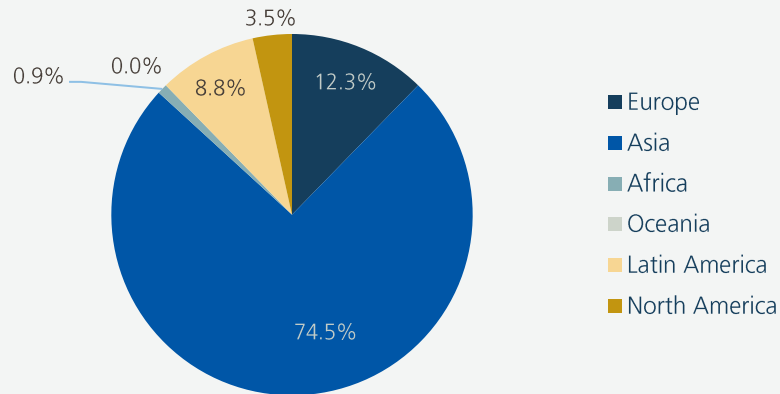
With the median age increasing from 36.9 years to 38.6 years, the population of Novi has aged; the 45-64 years age cohort is the largest (28.4%) and nearly 40% of the population is above 45 years of age establishing Novi as a place for mature families and experienced working professionals. The school age cohort—aged 5-17—years, is the second largest group likely due to the popularity of the city’s school districts; however, the size of this age group has reduced in the last decade likely correlated to the population decrease in the 35-44 age group, suggesting that families with young kids may be migrating out of the city.

Fig xx: Race, 2019

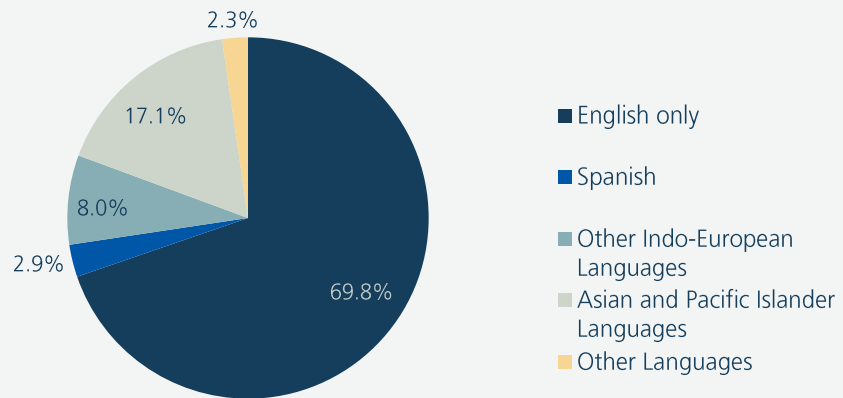


The racial makeup of Novi’s population has changed in the past decade primarily due to the increase in the “Asian alone” population from 15.9% to 26.9% with corresponding decrease in the “White alone” population from 73% to 58.1%.

Fig xx: Foreign-born Population and Language Spoken at Home, 2019



Due to the thriving automotive industry, Novi is a beneficiary of international visitors and foreign-born residents. Consistent with Novi’s population diversifying between 2010–2020, the foreign-born population in the city increased from 18.4% to 25.9% with those born in Asia accounting for almost 75% of the total.



Corresponding to city’s the diverse population, 30.2% of the population speak languages other than English at home of which more than 50% speak Asian and Pacific Islander languages. The overall change in foreign-born population and languages spoken at home together indicate an influx of immigrant population which in turn impacts the housing market and the local economy.

Fig xx: Average Household and Family Size, 2010–2019



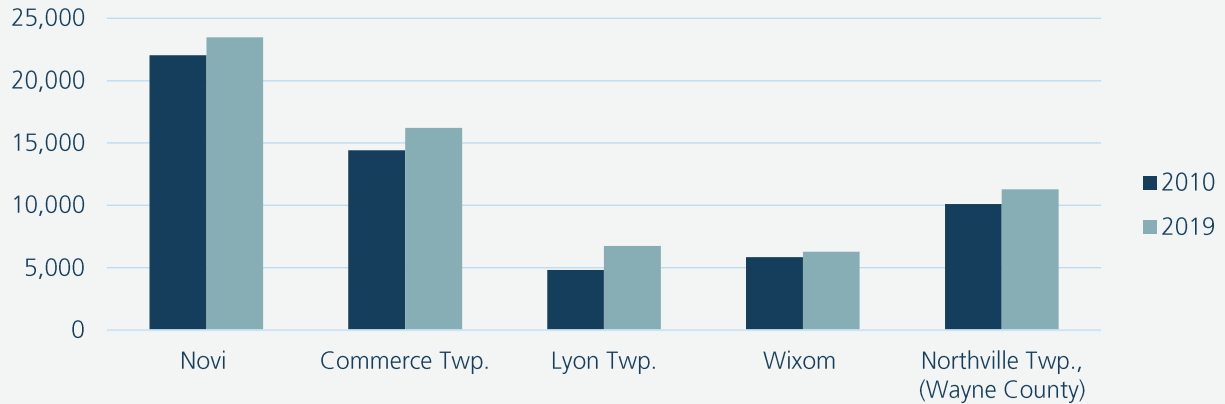
2.43 → 2.54



3.11 → 3.20

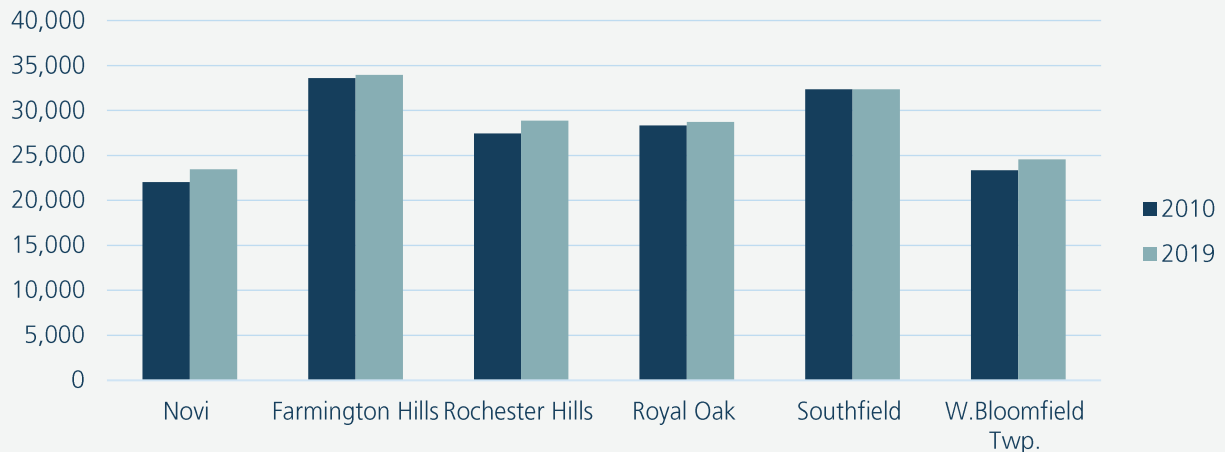
The average household size and family size in Novi increased from 2.43 and 3.11 in 2010 to 2.54 and 3.2 respectively; this deviates a common trend observed across cities where household sizes and family sizes are decreasing.

Fig xx: Households: Surrounding Communities, 2019



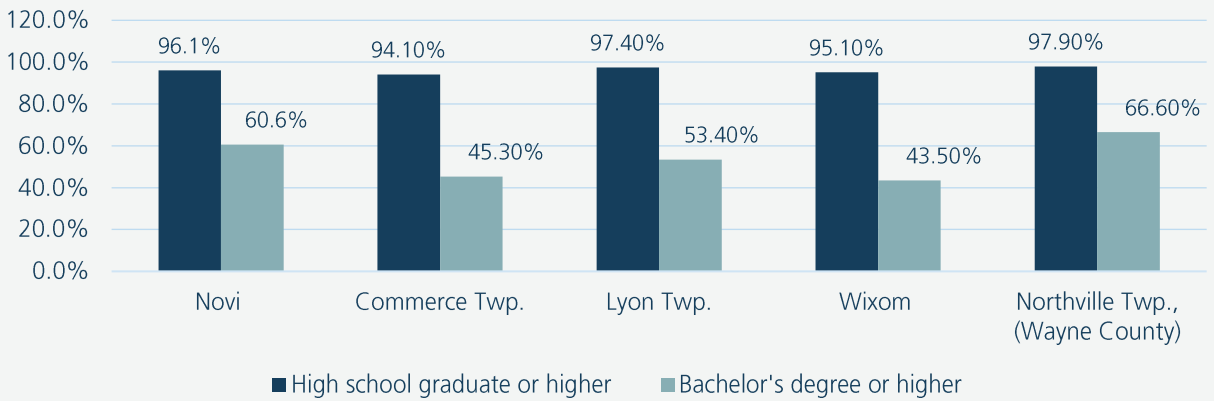
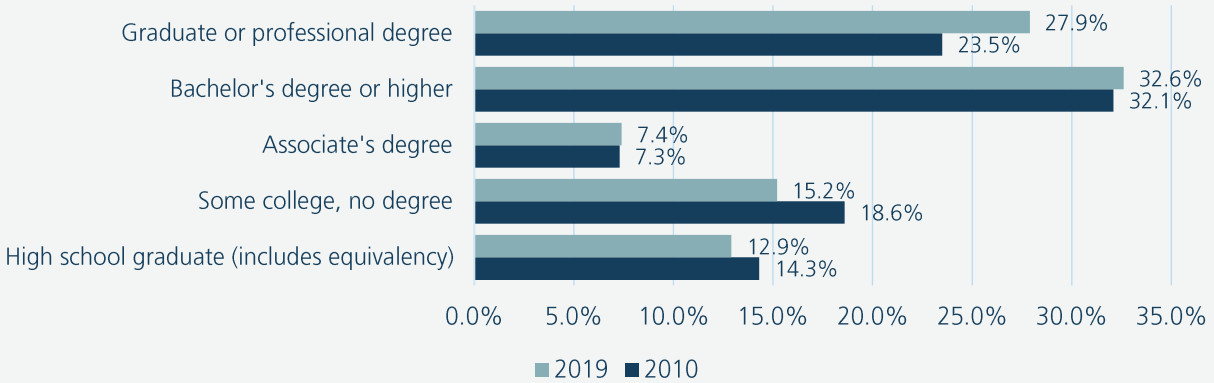
Keeping pace with the regional trend, the number of households in Novi increased by 6.5% to 23,471 from the 2010 estimates (22,047); However, all the surrounding communities experienced higher rate of increase in households than Novi.

Fig xx: Households: Similar-sized Communities, 2019



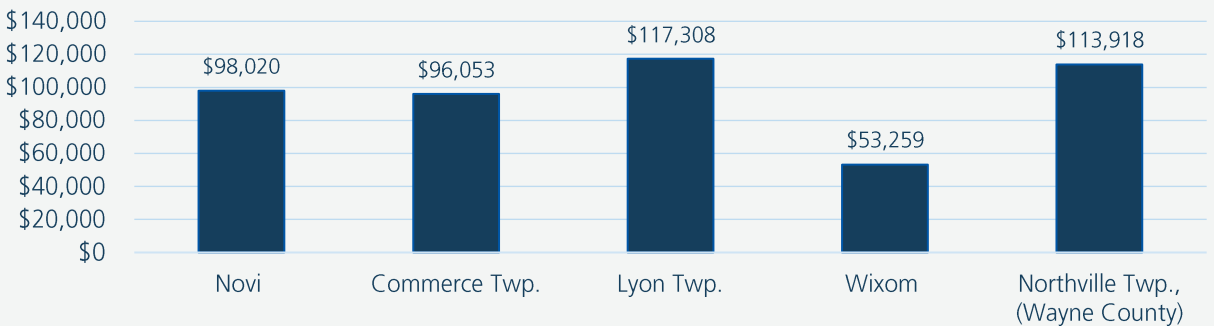
When comparing household growth in Novi with other similar-sized communities, most of them witnessed comparable or slower growth rates. The trend suggests slower growth rates in built-out communities rather than townships that perhaps have more land readily available for development.

Fig xx: Educational Attainment, 2010–2019



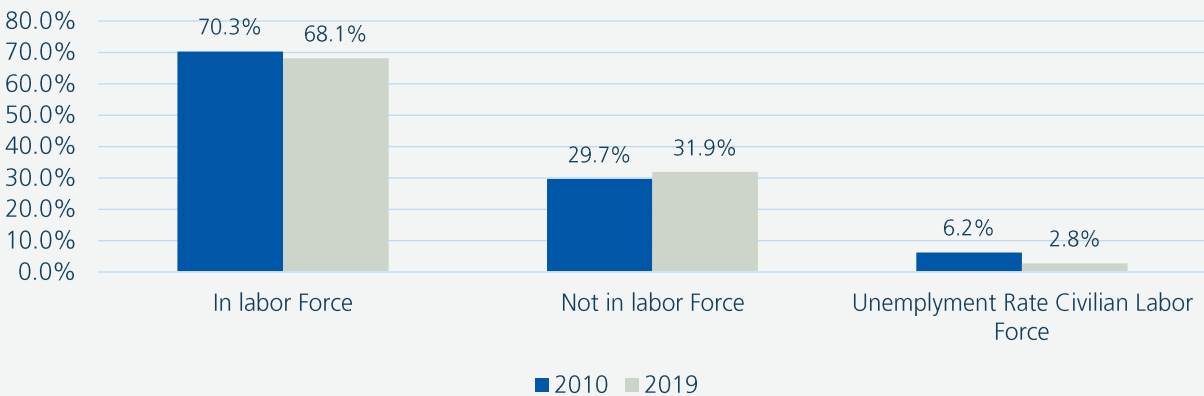
Novi residents are beneficiaries of some of the best school districts in the state and demonstrate overall high educational attainment. Approximately 96% of the population possess at least a high school degree and around 60% have earned a bachelor’s degree or higher. Among the surrounding communities, only the citizenry of Northville Township shows slightly higher educational attainment levels.

Fig xx: Income, 2010–2019

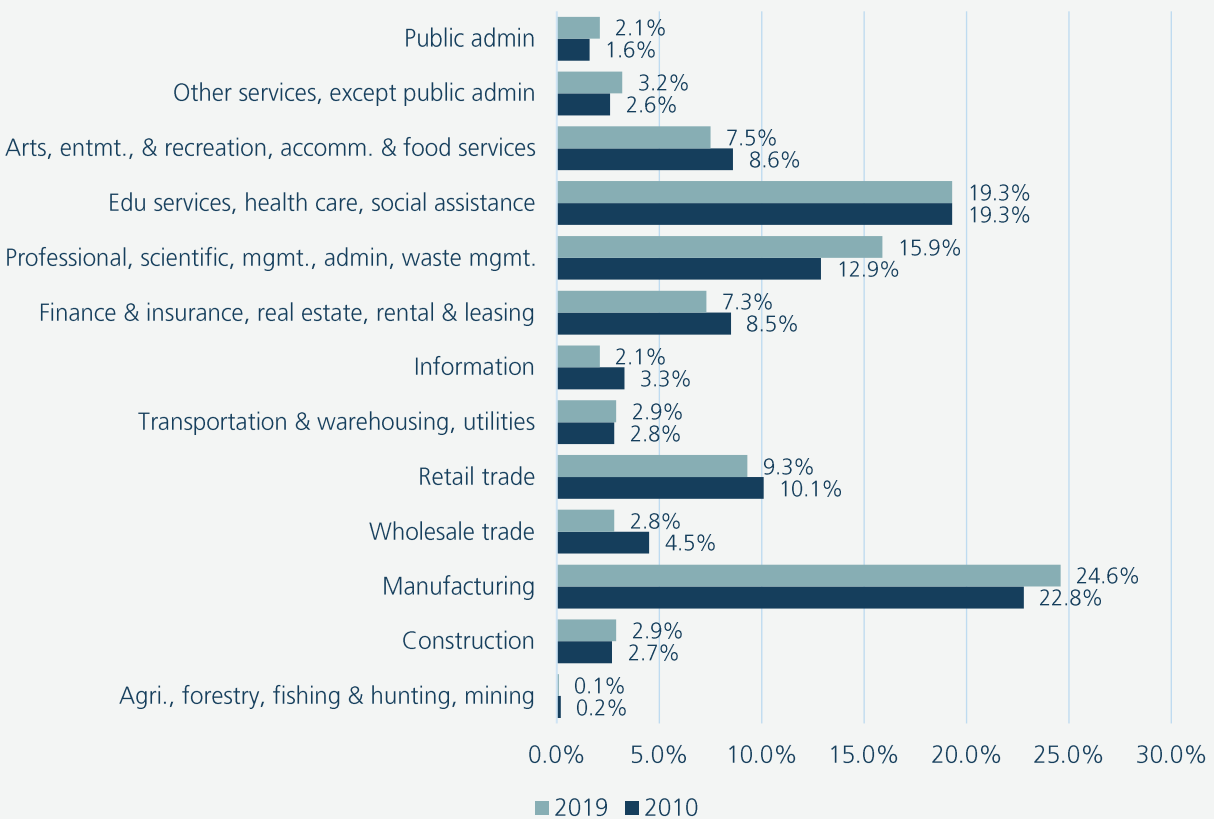


The city’s median household income increased from \$80,151 in 2010 to \$98,020 in 2019, which is substantially higher than the county and state figures of \$79,698 and \$57,144 respectively. Among the surrounding communities the median household income of Lyon township and Northville township is higher than that of Novi.

Fig xx: Employment, 2010–2019



As of 2019, nearly one-third of the population are not engaged in the civilian labor force likely due to an aging population.



Given that Novi is an established automotive hub, manufacturing remains the largest industry (24.6%) and has slightly grown over the last decade; “educational services, health care, and social assistance industry” (19.3%) is the second largest industry although there has been almost no growth in this sector since 2010.

**HOUSING  
FIRST DRAFT**

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# HOUSING

Across Michigan and the country, we are in a housing crisis. Home construction has not return to pre-Great Recession levels, which means that for at least a decade, we have experienced the compounding effects of a housing shortage. In Michigan, it is predicted that by 2045 there will be a shortage of 150,000 units.<sup>1</sup> On top of that, the COVID-19 pandemic disrupted the economy, pushing Michigan housing market into a state of precarity as labor and materials become more expensive.

The undersupply of housing benefits existing homeowners and disadvantages newcomers to the market. For existing homeowners, there is increased demand and competition for their homes, which drives up the prices. They will benefit from the equity gained in this investment which they can roll into their next home. However, because so few new units have been built, they may be stuck in these homes, as they wait to downsize somewhere in their community. For newcomers to the market, low vacancy rates and skyrocketing housing prices out far out of reach for moderate income earners, such as young professional or single income earners. They stay in their rentals longer or bid up the cost of older homes that were once attainable to lower-income households. Rents increase as a result of increased competition, leaving renters less opportunity to save for a down payment on a home. Many households are in less than ideal housing situations when it comes to finding the price, type, and location that fits their lifestyle.

## THE CURRENT STATE OF NOVI'S HOUSING MARKET

This section of the plan summarizes the existing conditions and current trends of Novi's housing market. To effectively present a snapshot of the city's housing market, the analysis in this section is organized into four categories: Housing Supply, The Homeowner's Market, The Renter's Market, and Housing Diversity. While the housing data and trends are folded into this larger framework, it is important to acknowledge that some data relate to many components of the housing market; for instance, household income *and* housing type impact housing value. Wherever possible such links between data in different categories in this section have been explained. Detailed data tables can be found in the **section xx** of the appendix.

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<sup>1</sup> "Zoning Reform in Michigan: What Can You Do Now?" Michigan Association of Planning, Spring Institute, May 2022.

## HOUSING SUPPLY

Novi's housing stock is growing but the housing demand outpaces supply.

- » In 2019, Novi recorded a total of 24,688 housing units—a marginal 2.4% increase since 2010; given the population grew by 20% in the same period, the growth of housing units has been relatively slow.
- » Though largest in terms of number of housing units among the surrounding communities, Novi experienced the slowest rate of increase in housing units between 2010–2020. [Fig xx]
- » Over a quarter of the city's housing stock was built between 1990–1999, about 20% between 2000–2009, and only about 7% in the last decade, showing a large drop off in new housing supply compared to previous decades. [Fig xx]
- » However, according to data from the Home Builders Association of Southeast Michigan, Novi issued the highest number of single-family residential permits in Oakland County in 2020.<sup>2</sup>
- » Approximately 230 housing units are under construction and about 1,015 are proposed.<sup>3</sup>
- » Though these new construction indicates a forthcoming increase in housing supply, the distribution across housing typologies, tenure type, and cost will determine how well these new and proposed units match housing demand.

Fig xx: Housing Units Growth Rate, 2010–2019

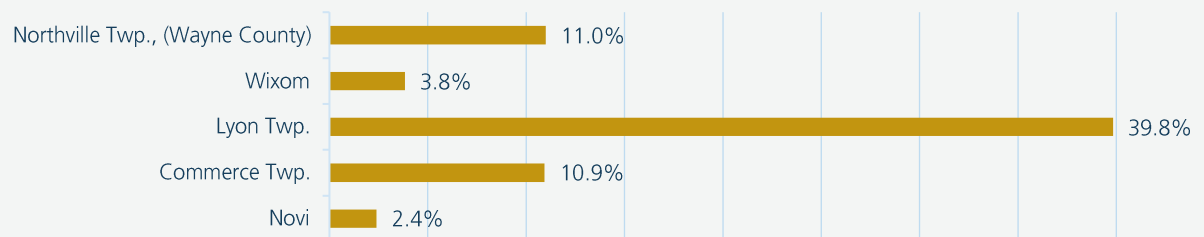
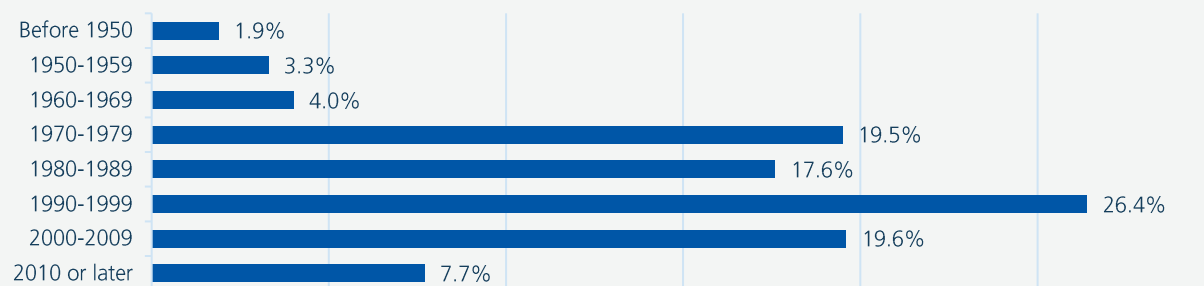


Fig xx: Housing Units Growth Rate, 2010–2019



<sup>2</sup> Cavitt, Mark. "Michigan Home Construction at 14-Year High, but Increased Costs, Labor Shortage, and Unpredictable Supply Chain Hampering Industry." The Oakland Press. The Oakland Press, November 7, 2021. <https://www.theoaklandpress.com/2021/11/07/michigan-residential-construction-at-14-year-high-but-increased-costs-and-unpredictable-supply-chain-hampering-industry/>.

<sup>3</sup> City of Novi, <https://cityofnovi.org/services/community-development/development-projects-in-process>



## THE HOMEOWNER'S MARKET

Rising home values, due to a regional housing shortage, makes homeownership in Novi challenging, especially for low to moderate income households.

- » Despite a slight decrease since 2010, owner-occupied housing units still account for a majority (67%) of occupied units.
- » Novi boasts a low vacancy rate of about 5%, indicating a strong housing market. However, only 6% of all vacant properties are in the market pending sale as opposed to 21.9% in 2010; while the decrease in homeowner vacancy rate is promising, it also indicates an urgent need to increase the supply in this category to cater to the growing demand.
- » About 28% of households with income less than \$15,000 and 21% of households with income above \$100,000 entered the homeowner market in the last decade; while the increase in homeownership in the lowest income bracket is promising, the drop in ownership in all other income brackets raises questions on availability and financial attainability of housing to cater to low to moderate income households. [Fig xx]
- » The average sale price increased by almost 80% to \$457,440 over the last decade which is attainable for less than half the city's households earning approximately 1.4 times the Area Median Income (AMI).
- » According to the Department of Housing and Urban Development (HUD), cost-burdened households are those who spend more than 30% of their income on housing; of Novi's owner-occupied housing units, 67% have mortgage payments and approximately 18% of those households are cost burdened. [Fig xx]

Fig xx: Change in Homeownership by Household Income, 2010–2019

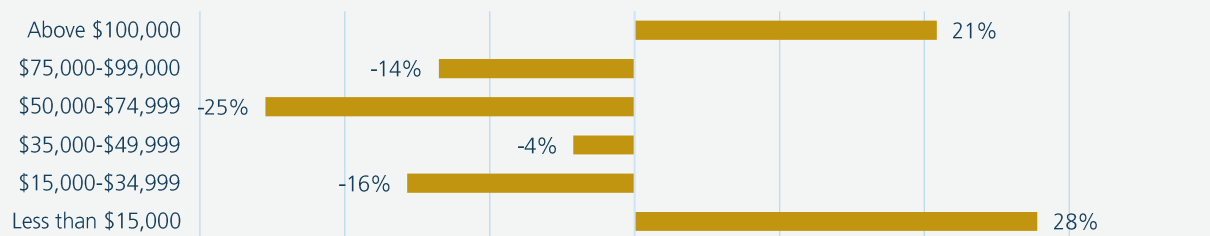


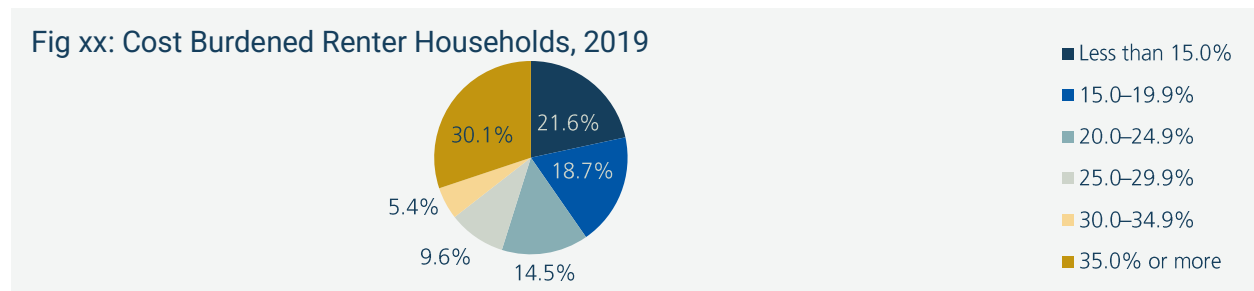
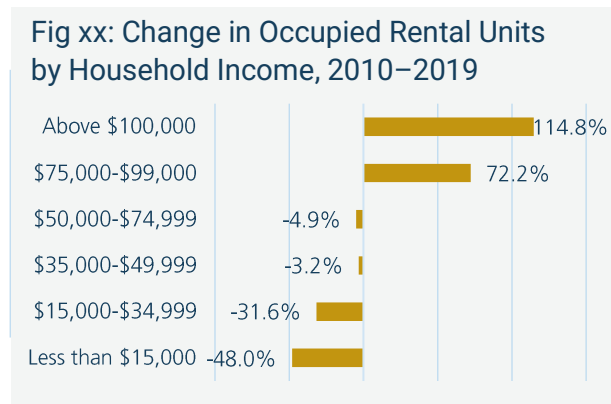
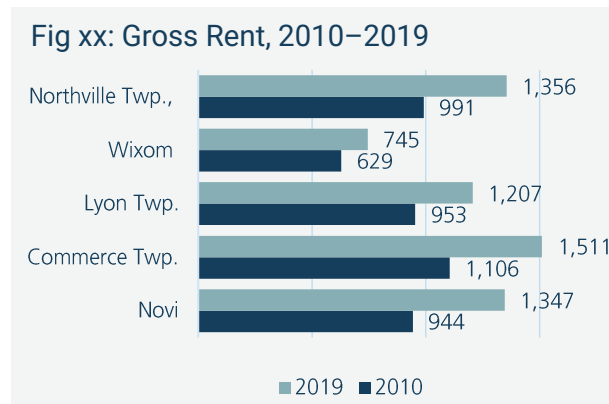
Fig xx: Cost Burdened Homeowner Households, 2019



## THE RENTER MARKET

The spillover effects of a tight homeowner market, create higher demand for rentals, making them a less affordable option.

- » Renter-occupied housing units account for 33% of Novi’s occupied housing units.
- » Excluding the City of Wixom, the surrounding townships have a considerably larger share of homeowners than renters, reiterating shifting preferences for rental units in cities.
- » Of Novi’s 5% vacant housing units, about 35% are available for rent likely due to Novi’s high percentage of immigrants who may be floating population opting for shorter leases.
- » The increasing demand for rental units drives up the rent; with a gross rent of \$1,347, Novi witnessed the highest increase (42%) in gross rent between over the last decade among neighboring communities. [Fig xx]
- » The percentage of renters in low to middle income groups has consistently decreased suggesting a severe shortage of rental units available for these income groups. [Fig xx]
- » Of Novi’s renter-occupied housing units, nearly one-third are cost burdened. [Fig xx]
- » A renter earning minimum wage would have to work nearly 2 full-time jobs to afford a 2-bedroom apartment in Oakland County at a fair market rent of \$1,049 making Novi’s rent extremely unaffordable for the working-class population.<sup>4</sup>



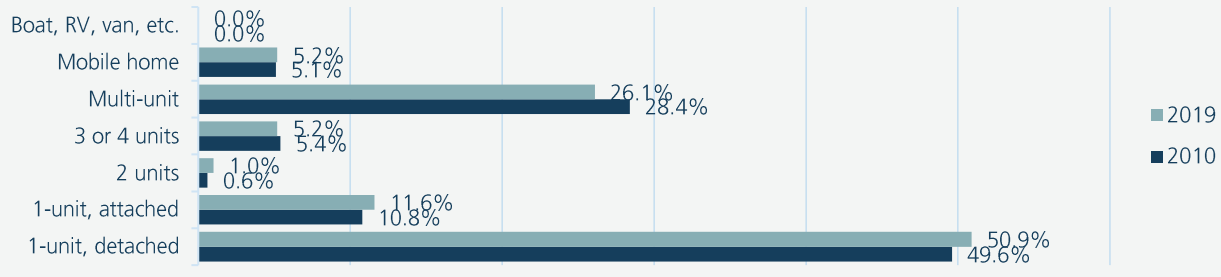
<sup>4</sup> National Low income Housing Coalition, “Out of Reach. The high Cost of Housing, 2021, [https://nlihc.org/sites/default/files/oor/2021/Out-of-Reach\\_2021.pdf](https://nlihc.org/sites/default/files/oor/2021/Out-of-Reach_2021.pdf)

## HOUSING DIVERSITY

With several new builds and proposals underway, Novi’s diversifying the housing typologies; however, increasing housing supply across the income spectrum still remains a challenge.

- » Approximately one half of Novi’s housing stock consists of 1-unit detached structures (commonly known as single-family homes) and one quarter consists of multi-unit homes. Only a combined 6.2% of units are comprised of either duplexes, triplexes, or quadplexes, indicating a shortage of “Missing Middle” housing.<sup>5</sup> [Fig xx]
- » The surrounding townships have a greater percentage of 1-unit detached dwelling than Novi; only Wixom deviates from this trend indicating a demand for smaller and more diverse housing units in cities.
- » Of the 230 housing units under construction about 65% are detached single-family units.<sup>6</sup>
- » The proposed housing developments in the Novi, with approximately 1,015 housing units, constitute a wide spectrum of typologies including duplexes, townhomes, apartments, condominiums, and mixed-use units.<sup>7</sup>
- » While the city is actively diversifying housing typologies, it is critical to ensure that new housing units are available at different price points and tenure to cater to the affordability issues identified above.

Fig xx: Housing Diversity, 2010–2019



<sup>5</sup> Missing middle housing is a term coined by Opticos Design that refers to housing that is similar in scale to single-family structures that can fit into the fabric of traditional single-family neighborhoods.

<sup>6</sup> City of Novi, <https://cityofnovi.org/services/community-development/development-projects-in-process>

<sup>7</sup> Ibid