



CITY OF NOVI CITY COUNCIL
AUGUST 10, 2026

SUBJECT: Approval of Resolution to Proceed with the Project and to Defray the Cost of the Project by Special Assessment upon Especially Benefitted Properties for Main Street Area Streetlighting and Streetscape (Resolution No. 3)

SUBMITTING DEPARTMENT: City Manager's Office

BACKGROUND INFORMATION:

City Council is aware of the conversations that the City Administration has been having with three property owners in the Main Street area who have a contractual obligation to maintain the streetlighting, streetscape, and amenities within the Main Street public road right-of-way. Those conversations began in 2025 and arose from the City's concern about the condition of the Main Street corridor. The cost of the improvements is substantial (approximately about \$700,000).

The discussions between the parties have included a concept under which the City would be paid back by the property owners through a Special Assessment District (SAD) over a period of 15 years with an anticipated interest rate of 4%. The City has discussed with the property owners the possibility of the City fronting the necessary funds (likely through the Corridor Improvement Authority) to replace the streetlighting and repair or rehabilitate the streetscape and amenities adjacent to the property owners' parcels as to which they bear the contractual obligation of maintenance.

A Special Assessment District takes five separate Resolutions to establish. The Council on June 8, 2026, adopted Resolution No. 1 by which the City directed the preliminary plans to be made more detailed and specific, with a more definitive cost estimate. On July 13, 2026, the Council adopted Resolution No. 2, which tentatively indicated an intention to proceed and sets a public hearing.

With the attached proposed Resolution No. 3, Council is being asked to proceed with the project and have the City Assessor prepare a Special Assessment Roll. The City Council would then have a public hearing on the Special Assessment Roll and determine to move forward with the project. Council would then approve the Roll in Resolution No. 4, with the final Resolution (Resolution No. 5) affirming the Special Assessment Roll.

It is the City's intention at the end of this process (contemporaneous with Resolution No. 5) to enter into a contract with the three property owners. That agreement would

be recorded against the property to confirm the property owners' acceptance of the SAD.

RECOMMENDED ACTION: Approval of Resolution to Proceed with the Project and to Defray the Cost of the Project by Special Assessment upon Especially Benefitted Properties for Main Street Area Streetlighting and Streetscape (Resolution No. 3).

STATE OF MICHIGAN

COUNTY OF OAKLAND

CITY OF NOVI

MAIN STREET AREA STREETLIGHTING AND STREETSCAPE
SPECIAL ASSESSMENT DISTRICT #186

**RESOLUTION TO PROCEED WITH THE PROJECT AND TO DEFRAY THE COST OF
THE PROJECT BY SPECIAL ASSESSMENTS UPON
ESPECIALLY BENEFITED PROPERTIES**

(Resolution No. 3)

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on August 10, 2026, at ____o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers_____

ABSENT: Councilmembers_____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

RECITALS

A. The City Council has received a Letter of Interest requesting construction of the proposed improvements described below and the establishment of a Special Assessment District (SAD) to defray the costs of such improvements by special assessment against the benefited properties; and

B. Plans, specifications, and cost estimates have been submitted to the City Council for construction of the Project, and the City is tentatively considering the establishment of an SAD to finance and defray the cost of the Project.

C. The proposed improvements (the "Project") are for the replacement of 109 Detroit Edison lights in the public road right-of-way of main Street in the area east of Novi Road and South of Grand River Avenue, along with the repair and/or replacement and/or rehabilitation of certain streetscape improvements and/or amenities also within the same public road right-of-way; and

D. The Project is designed and intended to especially benefit all the properties in the proposed SAD by assisting the property owners in the carrying out of their respective obligations to maintain the streetlighting, streetscape, and amenities as described in Resolution No. 1 approved by the Council on June 8, 2026. This includes, but is not limited to, replacement of DTE street lighting and repairs to sidewalk/pavement

areas, replacement of street trees, and addressing other code enforcement/contractual issues.

E. After initial consideration, the City Council adopted Resolution No. 2 on July 13, 2026 declaring its tentative intent to proceed with the Project and with the establishment of the District.

Plans for the Project, and an estimate of the cost of the Project in the amount of \$700,000.00, have been prepared and notice of public hearing has been given, according to law, to the owners of property in the District to inform them of their opportunity to present comments and objections to the Project, and to the District. The hearing was duly conducted consistent with the Notice, following which the City Council determined to proceed with the Project and with the establishment of the District.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. The City shall proceed with the Project.
2. The plans and specifications prepared for the Project and the cost estimates as presented at the hearing are approved.
3. The District shall consist of the following properties against which one hundred percent (100%) of the cost of the Project shall be assessed:
 - **Parcel 22-23-176-030: Main Street Partnership, LLC, 710 E. Ogden Avenue, Suite 420, Naperville, IL 60563**
 - **Parcels 22-23-176-011, 22-23-176-012, and 22-23-176-013: Luna Properties Novi, LLC, 42875 Grand River Avenue, Suite 201, Novi, MI 48375**
 - **Parcel 22-23-176-033: Diversified Members Credit Union, 1480 E. Jefferson Avenue, Detroit, MI 48207**
4. The duration of the District's existence shall be fifteen (15) years, and, unless paid in cash in respect to a particular property, the special assessments shall be paid in installments which shall be specified in the City Council's Resolution confirming the special assessment roll.
5. The City Assessor shall prepare a special assessment roll that includes all lots and parcels of land within the District with the names of the respective record owners of each property, if known, and shall also include the total amount to be assessed against each property. The amount to be assessed against each property shall be based upon the proportionate amount of special benefit to be received by each property from the Project. The amount spread in each case shall be based upon the detailed estimate of costs as approved by the City Council.

6. When the Assessor completes the assessment roll, he/she shall file it with the City Clerk for presentation to the City Council, along with his/her certification that the roll has been made pursuant to law and this Resolution of the City Council and that, in making the assessment roll, the Assessor has in her best judgment conformed in all respects to the law and the directions contained in this Resolution. Upon receipt, the City Clerk shall forthwith present the roll and the Assessor's certification to the City Council.
7. The Clerk shall retain a copy of the file in the Clerk's office for examination.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 10th day of August, 2026, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi