



CITY OF NOVI CITY COUNCIL OCTOBER 26, 2026

SUBJECT: Approval of Resolution to Receive Special Assessment Roll and Set a Public Hearing (Resolution No. 4) for the Main Street Area Streetlighting and Streetscape SAD #186.

SUBMITTING DEPARTMENT: City Manager's Office

KEY HIGHLIGHTS:

- This is the fourth step in a five-step process (resolutions) to establish a Special Assessment District
- Council adopted the first resolution on June 8, 2026 and most recently the third resolution on August 10, 2026
- Specifically, in this step, Council establishes a public hearing date for the formal Special Assessment Roll and determines to move forward with the project.

BACKGROUND INFORMATION:

City Council is aware of the City Administration's conversations with three Main Street property owners 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 for just the three property owners, and over \$2,000,000 for all improvements and all affected property owners).

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, in which it tentatively indicated an intention to proceed and set a public hearing.

On August 10, 2026, Council approved Resolution No. 3, in which it decided to proceed with the project and have the City Assessor prepare a formal Special Assessment Roll based upon more detailed costs.

Before the Council now is Resolution No. 4, in which the Council establishes a public hearing date for the formal Special Assessment Roll and determines to move forward with the project.

The City and the property owners are also working toward an SAD Agreement that would formalize other aspects of the SAD—e.g., releasing the property owners from ongoing maintenance costs and payment obligations—as well as an agreement with Pulte Homes, which is also affected by the project. There will need to be an amendment to the 1990s-era Exchange Agreement as well. The City Council would present those with a final Resolution (Resolution No. 5) affirming the Special Assessment Roll.

RECOMMENDED ACTION: Approval of Resolution to Receive Special Assessment Roll and Set a Public Hearing (Resolution No. 4) for the Main Street Area Streetlighting and Streetscape SAD #186.

STATE OF MICHIGAN
COUNTY OF OAKLAND
CITY OF NOVI
MAIN STREET AREA STREETLIGHTING AND STREETSCAPE
SPECIAL ASSESSMENT DISTRICT #186
RESOLUTION RECEIVING THE SPECIAL ASSESSMENT ROLL
AND SETTING PUBLIC HEARING ON THE ROLL

(Resolution No. 4)

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 October 26, 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 its Resolution No. 2 on July 13, 2026, declaring its tentative intent to proceed with the Project and with the establishment of the District.

F. On August 10, 2026, The City Council passed Resolution No. 3, in which the Council confirmed that it had received the plans for the Project, opened a hearing for public comment, determined to proceed with the Project, set a tentative roll and directed the Assessor to 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.

G. This Resolution receives a formal proposed SAD roll based upon bid proposals as received and sets a date for public hearing on that formal roll.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

1. City Council receives the special assessment roll for purposes of public hearing.

2. The special assessment roll shall be filed in the City Clerk's office for public examination.

3. A public hearing is hereby set for November 9, 2026, to be held at 7:00 P.M. in the Civic Center of the City of Novi, 45175 Ten Mile Road, Novi, Michigan 48375, for hearing comments and objections by any interested person with respect to the special assessment roll. The City Council will review the roll and hear and consider comments and objections presented.

4. The Notice of the hearing shall be published once at least seven (7) full days before the hearing in a newspaper published or circulated within the City, and by sending by certified mail, return receipt not requested, a copy of the Notice addressed to the record owner or person having an interest in the property to be assessed as shown

by the City's last preceding tax assessment roll for *ad valorem* tax purposes, at least twelve (12) days before the date of the hearing. The Notice of hearing shall include a statement that appearance and protest at the hearing in the special assessment proceedings is required in order to appeal the amount of the special assessment to the State Tax Tribunal and that an owner or party in interest or his or her agent may appear in person at the hearing to protest the special assessment or by filing his or her protest by letter, which then does not require his or her personal appearance. The Notice shall also specify whether the cost estimate for the Project has increased by five percent (5%) or more since the prior notice and if the cost estimate has so increase, the Notice shall include a card to be completed by the property owner or party in interest and returned to the City Clerk's office indicating whether the property owner or party in interest supports or disapproves of the Project and special assessment district.

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 26th day of October, 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