



**CITY OF NOVI CITY COUNCIL**  
**FEBRUARY 23, 2026**

**SUBJECT:** Consideration of Resolution Authorizing issuance of 2026 Unlimited Tax General Obligation bonds for Public Safety Facilities

**SUBMITTING DEPARTMENT:** City Manager

**KEY HIGHLIGHTS:**

- This is the next step in the process related to the Public Safety Facilities
- The first issuance will be for \$35,000,000
- Two additional issuances will occur the next two years, all totaling \$120,000,000

**BACKGROUND INFORMATION:**

As a result of the successful election in August 2026, authorizing the City of Novi to issue \$120,000,000 for the construction of new public safety facilities, the following resolution is the initial step in the process. A letter from the City's bond counsel, Pat McGow of Miller Canfield is enclosed in which he states the proposed "Resolution is based upon the bond specifications prepared by PFM Financial Advisors LLC, the City's financial advisors, and is intended to pay part of the initial engineering, design, and first stage construction and acquisition expenses, plus the issuance costs relating to the Bonds.

The Bonds will pledge the City's unlimited tax, full faith and credit for support of the Bonds, and will be paid from the special debt millage levied to pay the debt service on the Bonds. The Resolution sets forth the terms of the Bonds, the form of Bonds, and provides for a negotiated sale of the Bonds to an underwriter yet to be selected."

**RECOMMENDED ACTION:** Approval of Resolution Authorizing issuance of 2026 Unlimited Tax General Obligation bonds for Public Safety Facilities

**RESOLUTION AUTHORIZING  
2026 UNLIMITED TAX GENERAL OBLIGATION BONDS**

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**CITY OF NOVI**  
County of Oakland, State of Michigan

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Minutes of a regular meeting of the City Council of the City of Novi, County of Oakland, Michigan, held on February 23, 2026, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Members: \_\_\_\_\_

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ABSENT: Members: \_\_\_\_\_

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The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

WHEREAS, the qualified electors of the City of Novi, County of Oakland, State of Michigan (the "City"), at the election duly called and held on August 5, 2025, did by more than the required majority of those voting approve the following proposition (the "Bond Proposal"):

**Public Safety Facilities Bond Proposal**

*Shall the City of Novi, Michigan, borrow the principal sum of not to exceed One Hundred Twenty Million Dollars (\$120,000,000), and issue its unlimited tax general obligation bonds, in one or more series, payable in not to exceed twenty-five (25) years from the date of issue, to pay the cost of acquiring, constructing, furnishing and equipping a new public safety facility including police department and fire department facilities; two new fire department facilities to replace Fire Stations 2 and 3; and renovations to Fire Station 4; including site acquisition, demolition, and related road and site improvements? If approved, the estimated millage to be levied in 2026 is 1.0 mills (\$1.00 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 0.95 mills (\$0.95 per \$1,000 of taxable value).*

WHEREAS, the City Council has determined that it is necessary to issue the first series of bonds pursuant to the Bond Proposal in the principal amount of not to exceed Thirty-Five Million Dollars (\$35,000,000) for the purpose of paying part of the cost to acquire, construct, furnish and equip a new public safety facility including police department and fire department facilities; two new fire department facilities to replace Fire Stations 2 and 3; and renovations to Fire Station 4; including site acquisition, demolition, and related road and site improvements (the "Project"); and

WHEREAS, the City desires to solicit proposals from, and to negotiate the sale of the Bonds to, an underwriter to be selected by the City within the parameters established by this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the City designated 2026 UNLIMITED TAX GENERAL OBLIGATION BONDS (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Thirty-Five Million Dollars (\$35,000,000), or such lesser amount as shall be determined by the City Manager, Assistant City Manager or Finance Director (each, an "Authorized Officer") at the time of sale of the Bonds, for the purpose of paying part of the costs of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds.

The issue shall consist of bonds in fully-registered form of the denomination of \$5,000, or multiples of \$5,000 thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered consecutively in order of registration, dated as of the date of delivery, or such other date as determined by an Authorized Officer, and mature or be subject to mandatory redemption on May 1 or November 1 in the years 2027 to 2051, inclusive, or such other dates and/or years as shall be determined at the time of sale and in the amounts as determined by an Authorized Officer. The Bonds shall bear interest at a rate or rates to be determined upon negotiated sale thereof, payable semi-annually on May 1 and November 1, first payable on November 1, 2026, or such other date as determined by an Authorized Officer at the time of sale, provided that the true interest cost per annum on the Bonds shall not exceed five percent (5.50%) per annum. The Bonds may be issued as serial or term bonds or both and may be subject to redemption prior to maturity as determined at the time of sale.

The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at the designated corporate trust office of a Michigan bank or trust company selected by an Authorized Officer at the time of sale to act as registrar and transfer agent for the Bonds (the "Transfer Agent").

Interest on the Bonds shall be paid by check drawn on the Transfer Agent mailed to the registered owner of the Bonds at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future.

2. Execution of Bonds; Book-Entry-Only Form. The Bonds of this issue shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized officer or representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from an Authorized Officer upon payment of the purchase price for the Bonds in accordance with the offer therefor when accepted. Executed blank certificates for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC") and the Authorized Officers are each authorized to execute such custodial or other agreements with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form and to make such changes in the Bond Form within the parameters of this resolution as may be required to accomplish the foregoing.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the City. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

4. Debt Retirement Fund; Unlimited Tax Pledge; Defeasance of Bonds. The City Treasurer is authorized and directed to open a depositary account with a bank or trust company designated by the City Council, to be designated 2026 UNLIMITED TAX GENERAL OBLIGATION BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature. The City hereby pledges its unlimited tax full faith and credit for the prompt payment of the Bonds. All proceeds from taxes levied for the Debt Retirement Fund shall be deposited into the Debt Retirement Fund as collected. Commencing with the year 2026, there shall be levied upon the tax rolls of the City for the purpose of the Debt Retirement Fund each year, in the manner required by the provisions of Act 34, Public Acts of Michigan, 2001, as amended, an amount sufficient so that the estimated collection therefrom will be sufficient to promptly pay, when due, the principal of and interest on the Bonds becoming due prior to the next annual tax levy; provided, however, that if at the time of making any such annual tax levy there shall be other funds available or surplus moneys on hand in the Debt Retirement Fund for the payment of principal of and interest on the Bonds, then credit therefor may be taken against such annual levy for the Debt Retirement Fund.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this resolution shall be defeased and the owners of the Bonds shall have no further rights under this resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Construction Fund; Proceeds of Bond Sale. The City Treasurer is authorized and directed to open a separate depositary account with a bank or trust company designated by the City Council, to be designated 2026 UNLIMITED TAX GENERAL OBLIGATION BONDS CONSTRUCTION FUND (the "Construction Fund"), and deposit into said Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds.

6. Bond Form. The Bonds shall be in substantially the following form with such changes as may be required to conform to the final terms of the Bonds established by the Sale Order:

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF OAKLAND

**CITY OF NOVI**

**2026 UNLIMITED TAX GENERAL OBLIGATION BOND**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	May/November 1, 20__	_____, 2026	

Registered Owner:

Principal Amount: Dollars

The City of Novi, County of Oakland, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on November 1, 2026 and semiannually thereafter. Principal of this bond is payable at the corporate trust office of \_\_\_\_\_, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15<sup>th</sup>) day of the month preceding the interest payment date as shown on the registration books of the City kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the City are hereby irrevocably pledged.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$\_\_\_\_\_, issued for the purpose of acquiring, constructing, furnishing and equipping public safety facilities in the City and paying the costs incidental to the issuance of the bonds in pursuance of a vote of the qualified electors of the City voting thereon at an election duly called and held on August 5, 2025.

[Bonds of this issue shall not be subject to optional redemption prior to maturity.]

[Bonds of this issue maturing in the years 20\_\_ to 20\_\_, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of \$5,000 maturing in the year 20\_\_ and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after May 1, 20\_\_, at par and accrued interest to the date fixed for redemption.]

[Insert mandatory redemption provisions if needed.]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called in part for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.

This bond is transferable only upon the registration books of the City kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon, a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed. Neither the City nor the Transfer Agent shall be required to transfer or exchange this bond or portion of this bond either during the period of fifteen (15) days immediately preceding the date of the mailing of any notice of redemption or (except as to the unredeemed portion, if any, of this bond) after this bond or any portion of this bond has been selected for redemption.

This bond is payable out of the City's Debt Retirement Fund for this issue and in order to make such payment, the City is required each year to levy taxes on all taxable property within the boundaries of the City for such payment, without limitation as to either rate or amount.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City of Novi, County of Oakland, State of Michigan, by its City Council, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF NOVI  
County of Oakland  
State of Michigan

By: \_\_\_\_\_  
Its Mayor

(SEAL)

By: \_\_\_\_\_  
Its City Clerk

(Form of Transfer Agent's Certificate of Authentication)

DATE OF AUTHENTICATION:

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the bonds described in the within-mentioned resolution.

\_\_\_\_\_  
\_\_\_\_\_  
Transfer Agent

By: \_\_\_\_\_  
Authorized Signatory

[Bond printer to insert form of assignment]

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

7. **Negotiated Sale.** The City Council has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and pursuant to the requirements of Act 34, based on the advice of its financial advisor, determines that a negotiated sale of the Bonds will allow more flexibility in accessing the municipal bond market, and to price and sell the Bonds at the time that is expected to best achieve the most advantageous interest rates and costs to the City, and will provide the City with greater flexibility in structuring bond maturities and adjusting terms for the Bonds.

8. **Bond Purchase Agreement; Delegation to Authorized Officer; Sale Order.** The Authorized Officers are each hereby authorized to select an underwriter and to negotiate the sale of the Bonds with such underwriter, negotiate and execute a Bond Purchase Agreement, execute a Sale Order specifying the final terms of the Bonds and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this resolution.

9. **Adjustment of Bond Terms; Bond Parameters.** The Authorized Officers are each hereby authorized to adjust the final bond details as set forth herein to the extent necessary or convenient to complete the sale of the Bonds and in pursuance of the forgoing is each authorized to exercise the authority and make the determinations pursuant to Sections 315(1)(d) of Act 34, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, date of issuance, interest payment dates, redemption rights and other matters within the parameters established by this resolution; *provided* that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the true interest cost on the Bonds shall not exceed 5.50% per annum, the underwriter's discount shall not exceed 0.75% of the par amount of the Bonds and the Bonds shall mature in not more than twenty-five (25) annual installments.

10. **Official Statement; Qualification for Insurance; Ratings.** Each Authorized Officer is hereby authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed economically advantageous to the City; (c) apply for ratings on the Bonds; and, (d) do all other acts and take all other necessary procedures and make such filings with any parties, including the Michigan Department of Treasury, necessary or desirable to effectuate the sale, issuance and delivery of the Bonds.

11. **Continuing Disclosure.** The City agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and each Authorized Officer is hereby authorized to execute such undertaking prior to delivery of the Bonds

12. **Useful Life of Project.** The estimated period of usefulness of the Project is hereby declared to be not less than twenty-five (25) years.

13. **Tax Covenant.** The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on each issue of the Bonds from gross

income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds.

14. Bond Counsel. The appointment of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, as Bond Counsel for the Bonds is hereby confirmed, notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C., in unrelated matters of parties and potential parties to the issuance of the Bonds, including the purchaser of the Bonds.

15. Financial Advisor. PFM Financial Advisors LLC, is retained as the registered municipal advisor to the City in connection with the issuance of the Bonds.

16. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members: \_\_\_\_\_

\_\_\_\_\_

NAYS: Members: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

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Cortney Hanson  
City Clerk

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, State of Michigan, at a regular meeting held on February 23, 2026, and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

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Cortney Hanson  
City Clerk

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**PATRICK F. MCGOW**  
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MICHIGAN  
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UKRAINE  
QATAR

February 12, 2026

Victor Cardenas  
City Manager  
City of Novi  
45175 W. Ten Mile Road  
Novi, MI 48375-3024

Re: City of Novi  
2026 Unlimited Tax General Obligation Bonds for Public Safety Facilities -  
Bond Authorizing Resolution

Dear Victor:

I have enclosed the Resolution Authorizing the 2026 Unlimited Tax General Obligation Bonds to be considered for approval by the City Council at its meeting on Monday, February 23rd. The Resolution authorizes the issuance of Bonds in the amount not to exceed \$35,000,000 as the first series of Bonds issued pursuant to the Public Safety Facilities Bond Proposal approved by the City voters at the August 2025 election, for the purpose of paying part of the cost of acquiring, constructing, furnishing and equipping a new public safety facility including police department and fire department facilities; two new fire department facilities to replace Fire Stations 2 and 3; and renovations to Fire Station 4; including site acquisition, demolition, and related road and site improvements (the "Project").

The Resolution is based upon the bond specifications prepared by PFM Financial Advisors LLC, the City's financial advisors, and is intended to pay part of the initial engineering, design, and first stage construction and acquisition expenses, plus the issuance costs relating to the Bonds. The Bonds will pledge the City's unlimited tax full faith and credit for support of the Bonds and will be paid from the special debt millage levied to pay the debt service on the Bonds.

The Resolution sets forth the terms of the Bonds, the form of Bonds and provides for a negotiated sale of the Bonds to an underwriter yet to be selected. The Resolution authorizes the City Manager, Assistant City Manager and/or Finance Director (each, an "Authorized Officer") to select the underwriter and finalize the terms of the Bonds upon sale and sign a Bond Purchase Agreement and Sale Order. There are various blanks in the Resolution in the form of bond that are intended to be in blank, as those items will be completed in the final forms of those documents.

**MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.**

Mr. Victor Cardenas

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February 12, 2026

The enclosed Resolution is the only remaining approval from the City Council needed to issue and sell this first series of Bonds. The Resolution allows the Authorized Officers to adjust the size of the Bonds either before or at the time of sale of the Bonds based on the interest rates and bid premium received at the time of sale. The current plan is to sell the Bonds this spring and close in May to allow the first debt millage levy on July 1, 2026.

We would appreciate receiving one certified copy of the Resolution after adoption by the City Council. I plan to attend the City Council meeting to answer any questions about the Resolution or the Bonds. If you have any further questions, please give me a call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By:   
\_\_\_\_\_  
Patrick F. McGow

Attachment

Cc: Karen Lancaster  
Kari Blanchett  
Sean Wahl  
Conor Starrs

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