



CITY OF NOVI CITY COUNCIL JULY 27, 2026

SUBJECT: Approval of Resolution Declaring Necessity and Tentative Intent to Proceed with Project and Setting Public Hearing for Main Street Area Streetlighting and Streetscape (Resolution No. 2)

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 \$700K).

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. On June 8, 2026, the Council adopted Resolution No. 1, by which the City directed that the preliminary plans be made more detailed and specific, with a more definitive cost estimate. That cost estimate information is attached. The Council is now being asked to consider adopting Resolution No. 2, in which—after reviewing the attached information—the Council tentatively indicates an intention to proceed and sets a public hearing for August 10, 2026.

If Resolution No. 2 is adopted, Resolution No. 3 would involve a determination whether 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 if Council determined to proceed with the project, would approve the Roll in Resolution No. 4. The final Resolution (Resolution No. 5) would affirm the Special Assessment Roll.

It is the City's intention at the end of the 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 Declaring Necessity and Tentative Intent to Proceed with Project and Setting Public Hearing for Main Street Area Streetlighting and Streetscape (Resolution No. 2).