



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).