



CITY OF NOVI
Corridor Improvement Authority Meeting

May 13, 2025, 5:30 p.m.

Novi Special Conference Room | Novi Civic Center | 45175 Ten Mile Road
(248) 347-0445

CALL TO ORDER: 5:30 p.m.

ROLL CALL: Mayor Justin Fischer, Councilmember David Staudt, Blair Bowman, Katie Chuba, Hugh Crawford, John O'Brien, Matthew Thibaudeau, Patrick Torossian, & Jeffrey Wainwright

PRESENT: Mayor Justin Fischer, Councilmember David Staudt
Matthew Thibaudeau, Patrick Torossian, & Jeffrey Wainwright

LATE ARRIVALS: Blair Bowman and Katie Chuba arrived during the discussion of the Mainstreet Light SAD Process.

ABSENT EXCUSED: Hugh Crawford, John O'Brien

STAFF LIAISON: Victor Cardenas, City Manager

ALSO PRESENT: Charles Boulard, Director of Community Development
Thomas Schultz, City Attorney
Katherine Oppermann, Recording Secretary

APPROVAL OF AGENDA

Motion: Wainwright; Seconded: Staudt; Approved: 5:0

APPROVAL OF MINUTES – October 30, 2024

Motion: Wainwright; Seconded: Torossian; Approved: 5:0

PURPOSE OF THE MEETING

1. Main Street Lighting SAD Process
2. City Manager Cardenas stated that the concept for the Main Street Lighting Special Assessment District (SAD) Process at the previous meeting of the Corridor Improvement Authority (CIA) to allow for more uniform lighting on Mainstreet. The Board asked at that time to further investigate the ownership responsibilities for the lighting and it was determined that the property owners are responsible for the lights in question. City staff has since worked with the City Attorney to put together a SAD process wherein five (5) resolutions would be brought to City Council, ultimately approving the establishment of a SAD. The proposed streetlight improvement is estimated at .5 million.

The ask to this board tonight is to reduce the payback for the loan to the City, another SAD fund, to be able to use the dollars to pay for the lights which would then be reimbursed by the property owners through this SAD process (i.e. access interfund borrowing) over the expected term of 15 years. Mayor Fischer about the current amount of loan, Mr. Cardenas stated that 1.5 million would be left following the borrowing of the requested .5 million. Mayor then confirmed with City Attorney Schultz that the matter before this board then is just the approval of the loan and that City Council could still choose whether or not to proceed with the SAD process, Mr. Schultz affirmed that yes, the SAD process itself is fully Council's purview. Mr. Schultz then asked, through the chair, if the property owners had already consulted? Mr. Cardenas said that it is planned to reach out to the property owners following this meeting so that they won't be blindsided, also noting that not all owners are part of the pre-existing maintenance agreement. Mr. Schultz suggested said document should be revised so they are added.

Following a brief discussion of the estimated installation schedule through DTE, Mayor Fischer asked how SADs are normally funded. Mr. Cardenas stated that, just like this, they are paid through the property owners. Mayor Fischer then asked why in this instance of an SAD the CIA would have to be involved. Mr. Cardenas said that the CIA would be used essentially as a fiduciary up front, to provide the funds up front to get the project off the ground. Mayor Fischer continued asking why not use another mechanism other than the CIA, he is not convinced that the CIA is the right mechanism if there is another City avenue that can be used. Mr. Cardenas said that in terms of dollars available that ideally, they did not want to use the Roads Fund, which is why it was brought forward at the last meeting. The project is within the CIA district and therefore dollars available to make the downtown area nice looking and operational. Mayor asked if we should be concerned that we are signing up for a 15-year repayment plan when we don't know if the CIA will still be here in 13 years. Mr. Schultz affirmed that someone will get the money payment even if the CIA is no longer an operating entity. Mayor asked if it wouldn't be better to use a direct SAD process instead of involving the CIA? Mr. Cardenas said that would be an option. Following some additional discussion of the two mechanisms, Mr. Bowman stated that his impression from the last meeting that the nexus was that this is one of the core elements of the CIA, what it would do, and that it would be a positive approach to get that area in shape, which is in line with their goals. Mr. Schultz concurred that this is exactly the type of project the CIA would direct their funds to. Councilmember Staudt agreed, noting that this is an example of what the CIA does and gives positive PR, he likes it with the CIA. Mr. Torossian asked what other types of projects CIA fund could be used for and MR. Thibadeau asked what types they might expect in future years, the Board overall suggested lights, an overpass, landscaping, sidewalks, etc. Mr. Cardenas said the board can make the decision to pay for the entire project instead of using an SAD process. Councilmember Staudt asked if an SAD can be used towards maintenance costs. Mr. Cardenas said that the installation is used for the installation and that ongoing maintenance would be billed by DTE to the property owners. Mr. Schultz said that there is an old, original SAD from the 90s that put the lights in which is no longer being paid on but under which the property owners have the responsibility to maintain the lights. The idea is that once everyone is alright with an SAD we approach the owners to bring them in as an opportunity, rather than have it imposed on them. If they aren't on board with

installing the new lights they would still be responsible with maintaining the old lights. Mayor Fischer said that he is in support of the project and will vote yes for an SAD when it goes before City Council, he just wanted a better understanding of why the CIA should be involved.

Motion to authorize the interfund borrowing of .5 million from the CIA SAD Fund, to be paid back through the proposed Mainstreet Lighting SAD process over the period of 15 years

Motion: Bowman; Seconded: Torossian; Approved 7:0

3. Updated Financials/Revenue Capture/Loan Repayment

Mr. Cardenas introduced the updated financials, stating that to date everything in the CIA fund has been going to the ring road. The CIA was created in 2020 and initially the main purpose was the construction of the ring road connecting Grand River to Novi Road. The initial capture was \$150,000 and it has been growing since, to what will be just under 1 million next year. New developments are not yet “baked in” and are shown as rough estimates. The Townes of Mainstreet won’t be included until the construction is completed on the development. Mayor Fischer wants to be sure that the calculation for the Tax Capture is understood by the group. Mr. Cardenas said that the figures were created by factoring in the expected development in the given years shown on the chart. Community Development Director Boulard added that 10% year-over-year is the expected increase to tax capture. Mayor said that therefore year-over-year expectations can also be adjusted based on actualization or dropping of projects. He wants to ensure we have the information need to make decisions. He doesn’t care about the expectations from when it was created but rather wants the snapshot of now and the knowledge that it will be updated as needed. Mayor said that he will email Mr. Cardenas regarding his future expectations on this matter.

4. Public Transit/Bus Stop Options

Mr. Cardenas said, looking at how they want the corridor to look, improvements for bus stops is one such topic. Feldman Kia has offered to fund bus stops as the public benefit portion of their new development. He wants to know what type of bus stops the group is interested in: standard/traditional, more art-forward, more technology-based, public relation and advertising focused, etc. He asked SMART to hold off on installation until he had further direction from the board so that they can ensure a common appearance. He also noted that only high-use stops would have bus shelters installed. Mr. Thibadeau asked if we had numbers for the usage and Mr. Cardenas said yes and that he can provide them with the report that goes out to City Council. Mr. Wainwright asked if use was still relatively low which Mr. Cardenas said yes, it is. Mayor Fischer asked what the ballpark cost would be for the SMART offer or the other examples shown. Mr. Cardenas said that the cost of others would be above the standard SMART issue but they don’t have exact numbers right now.

Additionally, he noted that aside from installation there is the option of regular cleaning costs beyond the once-a-month cleaning SMART already provides.

Mayor Fischer thinks that this is a good introduction but that he would be interested in more clearly laid out costs for the different shelter options. He suggested narrowing the scope to 3 – 4 options and presenting them alongside their cost so that the Board can make more decisions. Mr. Bowman pointed out that the upkeep question is an important consideration, Ms. Chuba agreed and also noted the potential vandalism concerns. Mr. Cardenas asked for additional clarification as to what options they are interested in. Ms. Chuba thinks that cost will be a big driver of their direction, they want something aesthetically pleasing (not “bottom of the barrel”) but still not overly expensive. She thinks the advertisement angle would be of interest to the Novi Chamber of Commerce; the shelters could be a selling feature for workforce from their perspective as well. Mayor Fischer thinks some art could be interesting though not something ultra-modernist. He also thinks they could explore the option of revenue generated through advertising. He emphasized that we live in Michigan and have four seasons, the shelter needs to be functional. Mr. Wainwright agreed that if they aren't functional year-round, they won't be used. Mr. Torossian suggested that they should have at least 3 sides, to break the wind. Mr. Bowman stated, to summarize, that the shelters should be solid, functional, cost-effective, and good-looking.

Mr. Cardenas affirmed that he will share the ridership numbers and look at shelter costs to guide further discussion at their next meeting.

5. Future Development

Mr. Bowman presented the CIA board with his ideas for new development. The Novi Suburban Collection Showplace is the 50th largest convention center in the county and is the largest that is privately owned and non-casino based. There is a need for adjacent attached hotel rooms and other development, to avoid losing shows (like the recent blow of the Battery Show going to Huntington Place). He wants to fill this need but needs a vehicle for investment. He is now looking at a transformations brownfield project, though recognizes that many communities are lining up for this type of mechanism, so they are working on how their plans would qualify.

The current plan includes 4 buildings for rehabilitation on the south side of Grand River Avenue, and addition of a farm-to-table restaurant. They want to preserve trees and add an outdoor area with greenhouses, a bar/mixology, turf for sports, an area for weddings and corporate events, etc. He is also in talks with a high-end specialty grocer and possibility of apartments above that. On the north side there would be fine dining and a new hotel. Further planned development would be a 50+ apartment complex with a wellness program, an traditional townhomes connecting to the existing Central Park and Central Park South. The idea, in spirit of City West, would be to create and connect community. He is looking to continue to fulfill the promise of the Showplace and the vision of City West. He will be proposing the idea to the Michigan Economic Development Corporation (MEDC) but will also need local approval to get funding.

They are working with Plante Moran, who have been successful on projects downtown, and coordinating efforts through local government, County government, developers, etc. He wants to make sure it will be a positive project for the local community and a hub for gathering.

If everything lines up, and assuming approvals and a sharing agreement in February or March 2026 then they would start immediately on Central Park South and the hotel, with the other developments to be added in following months.

Mayor Fischer thanked Mr. Bowman for the presentation, this is a big project with a lot going on and many steps involved. At some point this body and the City will need to understand more details, but this was a very good introduction to the project. He also suggested that Mr. Cardenas shared information on brownfield development.

Mr. Bowman thanked the group for their attention and support of the project.

6. Set Date for June Meeting

In favor of saving time Recording Secretary Oppermann will be reaching out with potential dates for the next meeting shortly via email.

Mr. Torossian asked if there was a plan for brainstorming other projects for prioritization for the group. Mr. Wainwright thinks that Mr. Bowman's project opens some big doors for consideration and possibilities. Mayor Fischer suggested the group start thinking of how to spend CIA monies when they become available, and suggested that staff could also make some proposals. Mr. Cardenas said that they could certainly have a meeting focused on project prioritization in the next six months. Mayor agreed that there was still a lot to fill the next few meetings before that.

PUBLIC COMMENT – None

ADJOURNMENT: 6:55 p.m.

Motion: Thibadeau; Seconded: Wainwright; Approved: 7:0