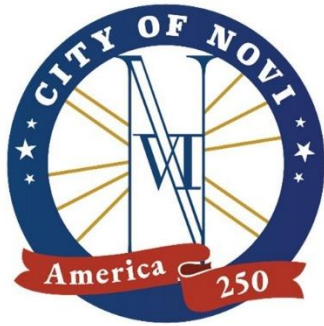




CITY OF NOVI CITY COUNCIL
SEPTEMBER 14, 2026

SUBJECT: Consideration to Approve a Purchase Agreement to Sell a Portion of Parcel 22-23-151-029 to Novi Industrial, LLC for \$68,000 for Placement of a Storage Tower.

SUBMITTING DEPARTMENT: City Manager

KEY HIGHLIGHTS:

- The City would sell 0.783 acres of unused Water Tower Park property to Novi Industrial, LLC for its appraised value of \$68,000. The sale excludes the developed park areas and the water tower, and City access to the tower from Trans-X Road must be maintained at all times.
- In addition to the purchase price, the buyer has agreed to reimburse the City \$16,000 in attorneys' fees incurred over the past two years in preparing the transaction documents.
- Approving the sale does not approve the sand silo. The owner and Temperform must still go through site plan review, resolve the concrete pad's placement over a recorded sewer easement, and may need variances for the silo's height and setback following Planning Commission review.

BACKGROUND INFORMATION:

Novi Industrial, LLC, owner of the property at 25425 Trans-X Road, is requesting to purchase an unused portion of the City's Water Tower Park property (Parcel 22-23-151-029). Its tenant, Temperform, placed a concrete pad in this area believing it was part of the leased parcel, and the owner now seeks to acquire the land in order to place a sand silo there.

The property is located in the southeast part of Water Tower Park, at the southeast corner of Novi Road and Trans-X Road. The proposed 0.783-acre purchase area does not include the developed portions of the park or the water tower itself. If the property is transferred, access from Trans-X Road to the water tower must be maintained at all times so the City and its agents can continue to maintain the tower and nearby improvements.

After meeting with the City and exploring options for relocating the silo elsewhere on its own site, Temperform determined that doing so would require variances from the Zoning Board of Appeals. Temperform indicates that even with variances, the silo would

not fit properly on its current site. As a result, it has requested that the City sell a portion of the adjacent property to accommodate the silo.

Temperform obtained an appraisal of the City-owned portion, which is attached. The appraised value is \$68,000. The appraisal was conducted by RS Thomas & Associates, a firm the City has used for various property acquisitions. Temperform and Novi Industrial have also provided an updated survey, including information requested by the Assessing Department to adjust the parcel boundaries.

The Purchase Agreement was prepared by the City Attorney's Office, with minor modifications proposed by the purchaser. Temperform requested two amendments to the agreement to extend the timeframe for environmental due diligence and is now ready to move forward. Temperform has also agreed to reimburse the City \$16,000 in attorneys' fees incurred over the past two years in preparing the transaction documents.

If the property is transferred, the owner and Temperform will need to follow the City's site plan submittal and review process for any improvements on the site, including the location of the proposed sand silo. The applicant will need to resolve any concerns about the concrete pad's installation over a recorded sewer easement, and may need to request variances for the silo's height and setback following review and approval by the Planning Commission.

RECOMMENDED ACTION: Approval of a Second Amendment to Purchase Agreement to Sell a Portion of Parcel 22-23-151-029 to Novi Industrial, LLC for \$68,000, for the area shown in the attached survey, and to authorize the City Manager to sign the Purchase Agreement and work with the City Attorney's Office to take all actions necessary to complete closing of the sale.