

MEMORANDUM



TO: CORRIDOR IMPROVEMENT AUTHORITY
FROM: VICTOR CARDENAS, CITY MANAGER
SUBJECT: MAIN STREET SAD FUNDING
DATE: JULY 14, 2026

As discussed in September 2025, the city has been working with the Main Street stakeholders (Diversified Credit Union, Luna, MainStreet, Pulte) to coordinate much needed lighting and streetscape improvements in the Main Street corridor with a Special Assessment District (SAD). DTE and consulting engineer AECOM provided estimates to replace the decorative streetlights and rehabilitate the streetscape. The city also asked for an estimate to rehabilitate the road (Main Street) as a final phase. Since the road is city owned, the costs would not be included in the SAD regardless of how it is funded.

At the June 8, 2026, City Council Meeting the SAD Resolution No. 1 was passed which initiated the five-step process required to approve an SAD (see attached agenda item). The next step, Resolution No. 2, to set a Public Hearing, will be a future City Council Meeting in July.

The CIA approved the cost for the lighting to be paid back through the SAD back in 2025. The cost for streetscape and road rehabilitation could also be funded through the CIA and paid back through the SAD over 15 years. As we are moving through the SAD process staff are requesting the CIA to fund more or all the total project cost, which again would be paid back through the SAD (excluding city share). The lighting and stakeholders' total share are ~\$1.135M and total project costs (including the road and engineering) are ~\$2.1M. Below is preliminary categorical breakdown of cost.

Main Street Stakeholders	Lighting	Streetscape	Road	Total
Diversified Members Credit Union	\$ 27,000.00	\$ 55,486.80	\$ -	\$ 82,486.80
MainStreet Partnership	\$ 162,000.00	\$ 222,456.76	\$ -	\$ 384,456.76
Luna Properties	\$ 40,000.00	\$ 191,117.43	\$ -	\$ 231,117.43
Pulte-Townes at Main Street	\$ 147,000.00	\$ 166,524.56	\$ -	\$ 313,524.56
City of Novi	\$ 122,000.00	\$ 322,208.39	\$ 532,888.67	\$ 977,097.06
Total	\$ 498,000.00	\$ 957,793.94	\$ 532,888.67	\$ 1,988,682.61

*Design Engineering ~100K, CE/CI ~\$156K

Essentially, the request is for the CIA to cover the stakeholder costs, which would be refunded, and fund the additional ~\$1M city cost as a CIA Corridor project. The latest design and estimates are included in the packet.