



CITY OF NOVI CITY COUNCIL AUGUST 11, 2025

SUBJECT: Resolution Approving Assignment of Commercial Rehabilitation Exemption Certificate (Sakura Novi, located at 42750 Grand River Avenue)

SUBMITTING DEPARTMENT: City Manager

KEY HIGHLIGHTS:

- Approval formalizes the change in the ownership from Sakura Novi, LLC to Sakura Novi Residential, LLC for the purpose of commercial rehabilitation tax abatement.

BACKGROUND INFORMATION:

Recently this July, the City approved an amendment to the site plan for the Sakura Novi development at Grand River Avenue and Town Center Drive. It included a change in what was initially indicated as Phase 2 of the Sakura Novi development to create a new Unit 6 to be developed with multiple-family residential units. The new Unit 6 was created from *part* of existing Unit 1, with the rest of Unit 1 remaining a commercial building and associated parking. The site plan amendment was approved administratively because the potential multiple-family development of that part of Unit 1 was contemplated in the PRO Plan and PRO Agreement for the Sakura Novi development.

The City Attorney's Office has reviewed and approved the amendment to the Sakura Condominium Master Deed corresponding to the change. The City Assessor is prepared to address the change as well.

The Sakura Novi development received a commercial rehabilitation tax exemption certificate under PA 210 when it was initially approved. The change in this development requires a change in the tax exemption certificate because the portion of Unit 1 that has been used to create the new residential commercial Unit 6 has been transferred in ownership from Sakura Land Development, LLC to Sakura Novi Residential, LLC. This transfer is also allowed under the PA 210 Agreement between the City and the developer of Sakura Novi.

The Resolution attached for City Council's approval simply formalizes the change in the ownership of the property for purposes of the commercial rehabilitation tax abatement. There is no effect on the City.

RECOMMENDED ACTION: Approval of Resolution Approving Assignment of Commercial Rehabilitation Exemption Certificate (Sakura Novi, located at 42750 Grand River Avenue)