



CITY OF NOVI CITY COUNCIL
JULY 7, 2025

SUBJECT: Approval of Resolution authorizing the purchase of a tax foreclosed property, parcel number 50-22-10-400-048, from Oakland County under Act 123 of 1999, as amended, for the amount of \$1,555,540 and to amend the budget.

SUBMITTING DEPARTMENT: City Manager

KEY HIGHLIGHTS:

- The cost of the foreclosed vacant parcel is the legally mandated fair market value (calculated as double the 2025 State Equalized Value of \$777,770)
- The City already owns adjacent parcel number 50-22-10-400-055, which forms a continuous wetland area with the subject parcel

FINANCIAL IMPACT

	FY 25/26
EXPENDITURE REQUIRED	\$ 1,555,540.00
BUDGET 1. CIP FUND , Land Acquisition 401-901.00-971.000	\$ 0
APPROPRIATION REQUIRED	\$ 1,555,540.00
FUND BALANCE IMPACT	\$ 1,555,540.00

BACKGROUND INFORMATION:

The City of Novi received notice from the Oakland County Treasurer identifying parcel number 50-22-10-400-048, located at Novi and Twelve Mile Roads, among properties that were recently tax foreclosed by Oakland County Circuit Court and by the Oakland County Treasurer under Public Act 123 of 1999, as amended. Under MCL 211.78(M)(1), the County is given a right of first refusal, and if it does not exercise that right the City gets the next "option" to purchase the property.

Due to statutory changes in 2020 and pending lawsuits, the foreclosed property purchases can no longer be available for the cost of unpaid taxes and interest. Current

policy requires the purchase price to be an amount equal to the fair market value, which is determined as double the 2025 state equalized value (SEV), or the appraised value, if an appraisal is completed by an Oakland County contracted vendor. Records indicate that the SEV on parcel # 22-10-400-048 is \$777,770, making the total cost due (2xSEV) \$1,555,540.

The City already owns the adjacent parcel number 50-22-10-400-055, purchased in 2016, which contains a large portion of wetland connected to that of the subject property.

Staff's recommendation is to purchase this property, as it may provide the City an opportunity to preserve areas of it and/or to utilize it in a manner that benefits the public and the City.

If the City wishes to exercise its statutory right of refusal and purchase parcel number 50-22-10-400-048, it is required to notify the Oakland County Treasury of its intent to purchase no later than Tuesday, July 8th, according to representatives of Oakland County.

RECOMMENDED ACTION: Approval of Resolution authorizing the purchase of a tax foreclosed property, parcel number 50-22-10-400-048, from Oakland County under Act 123 of 1999, as amended, for the amount of \$1,555,540 and to amend the budget.

RESOLUTION

NOW, THEREFORE BE IT RESOLVED that the following
Budget Amendment for the land purchase is authorized:

	INCREASE (DECREASE)
CAPITAL IMPROVEMENT FUND	
APPROPRIATIONS	
Capital Outlay	1,555,540
TOTAL APPROPRIATIONS	\$ 1,555,540
Net Increase (Decrease) to Fund Balance	\$ (1,555,540)

I hereby certify that the foregoing is a true and complete copy of a
resolution adopted by the City Council of the City of Novi
at a regular meeting held on July 7, 2025

Cortney Hanson
City Clerk

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

**RESOLUTION AUTHORIZING THE PURCHASE OF TAX FORECLOSED PROPERTY LOCATED IN
THE CITY OF NOVI, TAX PARCEL IDENTIFICATION NO. 50-22-10-400-048**

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on July 7, 2025, at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers_____

ABSENT: Councilmembers_____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS, the City Novi has received notice from the Oakland County Treasurer that certain properties within the City have been foreclosed upon for unpaid property taxes, and that the redemption periods have expired without the properties having been redeemed; and

WHEREAS, following Oakland County, the City of Novi has the right of second refusal to purchase this property; and

WHEREAS, the foreclosed property having the Tax Parcel Identification No. 50-22-10-400-048 (the "Property") is located in the City of Novi, west of Novi Road and north of 12 Mile Road

WHEREAS, acquisition of the property is beneficial and appropriate given its close proximity to other City of Novi property and its potential use in a manner that would benefit the City and the public to be determined by the City; and

WHEREAS, the City Council has determined that it would be in the public interest to purchase this Property.

NOW THEREFORE, IT IS THEREFORE RESOLVED AS FOLLOWS:

1. The City Council of the City of Novi hereby expresses its desire to acquire the Property in accordance with the procedures of Act 123 of Public Acts of 1999 as amended.

2. The City Council hereby authorizes a purchase price of One Million Five Hundred Fifty-Five Thousand Five Hundred Forty Dollars (\$1,555,540), plus additional fees, charges, or other costs as determined by the County and as required by law for the Property.
3. Since Oakland County has exercised its right of first refusal to acquire the Property, the City shall proceed with the acquisition of the Property, and the Mayor and City Clerk are hereby authorized to execute any and all agreement and documents necessary for such purposes, upon the review and approval of same by the City Attorney.
4. A signed copy of this Resolution shall be forwarded to the Oakland County Treasurer

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 7th day of July, 2025, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi

Parcel #50-22-10-400-048



MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



1 inch = 381 feet



Map Print Date:
7/2/2025



City of Novi

45175 Ten Mile Rd
Novi, MI 48375
cityofnovi.org