



CITY OF NOVI
Corridor Improvement Authority Meeting
August 24, 2026, 5:30 p.m.
Council Chambers | 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, Katie Chuba, Patrick Torossian, John O'Brien & Jeffrey Wainwright

PRESENT: Mayor Justin Fischer, Councilmember David Staudt, Katie Chuba, Patrick Torossian, & Jeffrey Wainwright

ABSENT EXCUSED: John O'Brien

STAFF LIAISON: Victor Cardenas, City Manager

ALSO PRESENT: Regina Swick, Economic Development Manager
Charles Boulard, Community Development Director
Jeff Herczeg, Public Works Director
Dan Rynard, Graduate Management Analyst

APPROVAL OF AGENDA

Motion Maker: Fischer; Seconded: Torossian; Approved: 5:0

APPROVAL OF MINUTES - September 22, 2025

Motion Maker: Fischer; Seconded: Wainwright; Approved: 5:0

PURPOSE OF THE MEETING

1. Budget Update

City Manager Cardenas provided an update on the current Corridor Improvement Authority (CIA) financial position, projected revenues, and anticipated expenditures.

Mr. Cardenas noted that the City's assessor has evaluated approximately \$6.1 million in new taxable value. Councilmember Staudt asked whether the new credit union development had made it onto the tax rolls; Mr. Cardenas responded that it had not. Current projections do not include the proposed City West Transformational Brownfield Plan or the affordable housing PILOT ("payment in lieu of taxes") project that were recently before City Council. Mr. Cardenas also relayed that Oakland

County's Parks and Recreation and Operating tax-capture agreement caps the CIA's capture at \$4.4 million over 20 years for their portion. Expanding this cap would require county approval.

2. Main Street Streetscape and Road Project

Mr. Cardenas provided an update on the Main Street lighting, streetscape, and road reconstruction project. The combined cost estimate has increased from approximately \$1.3 million, as presented at the September meeting, to approximately \$2.2–\$2.3 million. Mr. Cardenas explained that the increase reflects the addition of streetscape and mill-and-overlay roadwork, along with curb repair. Staff noted that bidding and completing the project together is expected to generate cost savings compared to completing the two projects separately.

Regarding the Special Assessment District (SAD) stakeholders, Pulte Townhomes at Main had initially resisted its payment obligation. Per the City Attorney, recent conversations have been more positive, and staff does not anticipate a significant obstacle to securing payment. Pulte is expected to make a one-time lump-sum payment through a legal mechanism, rather than the 15-year payback schedule available to the other stakeholders.

Design and testing costs of approximately \$256,000 have not yet been allocated among the three private stakeholders under the SAD. Councilmember Staudt asked why this cost was not shown as part of the SAD billed to the property owners. Public Works Director, Jeff Herczeg, responded that staff intends to base each stakeholder's share on property frontage rather than a flat percentage, with final allocations pending bid results.

Discussion followed on whether the CIA should fund the road portion of the project, or whether it should be paid from the city street fund. Mayor Fischer asked whether the Authority could come back to determine whether to fund the road work from road funds and pay it back to the CIA on a schedule to be determined. Mayor Fischer noted he was not clear on what he was being asked to approve, and Mr. Cardenas clarified that the Authority only needed to approve paying for the additional funds for the streetscape portion of the project. Mayor Fischer stated he supports pursuing the additional streetscape portion but would like the City to evaluate other options for how the road portion is paid out in the future.

A proposed \$75,000 annual maintenance allocation was questioned as a potentially impermissible use of CIA funds under the Authority's bylaws and/or the county tax-capture agreement. Mr. Torossian expressed concern that CIA funds cannot be used for ongoing maintenance.

Mr. Wainwright asked, assuming approval of the Main Street SAD, whether there would be additional items the CIA needed to pay for in support of the proposed City West development if it were to be approved. Mr. Torossian raised the idea of splitting road coats with the street fund as a possibility, and stated that he would like

to see a reserve cushion built into the plan, which he does not believe the current plan provides.

The CIA is currently operating at a deficit of approximately \$1 million, due to the payoff of Ring Road and the addition of Main Street lighting, with the payoff timeline previously projected at 2027-28 and now projected at 2028-29. Adding the streetscape and road costs under discussion would extend the projected payoff timeline. Several members noted that the financial statements presented do not follow the standard format used elsewhere in the City and were difficult to interpret.

Action Items:

- City Attorney to confirm whether ongoing maintenance is an allowable CIA expenditure and, if not, identify an appropriate funding source.
- Staff to return with CIA financial statements presented in standard city format for the next meeting.
- Staff to provide a projection schedule reflecting the likelihood and timing of future projects.
- Staff to provide an updated, recurring map of the CIA capture area for future meetings.

Motion to approve the CIA financing the streetscape as part of the Main Street SAD; to direct that road construction costs be funded initially through city road funds, with the CIA to reconsider a contribution or reimbursement once revised financial statements are presented; and to approve the preliminary multi-year budget, contingent on staff returning with financials in standard format.

Motion Maker: Fischer; Seconded: Torossian; Approved: 5:0

PUBLIC COMMENT – None

ADJOURNMENT: 6:17 p.m.

Motion Maker: Fischer; Seconded: Wainwright; Approved: 5:0