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# CITY of NOVI CITY COUNCIL

## Agenda Item D September 24, 2007

**SUBJECT:** Approval of resolution to increase land donation value (from \$160,000 to \$201,400) to the City of Novi by Heritage Shoppes, LLC for the previously approved Michigan Natural Resources Trust Fund grant application.

**SUBMITTING DEPARTMENT:** Parks, Recreation, & Forestry Department

**CITY MANAGER APPROVAL:** *PA for CSP*

### BACKGROUND INFORMATION:

On March 5, 2007, the City Council approved the Parks, Recreation & Forestry Department to prepare and submit a Michigan Natural Resources Trust Fund (MNRTF) Land Acquisition Grant application for a 16-acre parcel of land adjacent to the Singh Trail property.

The parcel includes high quality woodlands and wetlands as part of the core reserve wildlife habitat area. Additionally, the property is adjacent to the Singh Trail property and is at the headwaters of the Huron River. If successful, the property would be added to 180 acres of parkland and another 73 acres to be dedicated by Singh Development for a 269-acre natural area.

In 2006, City Council authorized the staff submittal of this grant but we were not awarded the grant. Since then, the Department has acquired a copy of the 2006 MNRTF grant evaluation form and, more recently, the preliminary 2007 evaluation which will allow staff to further improve our application for this grant cycle. The preliminary review of our April 2007 grant application provides feedback on the results of the review by MNRTF staff. Based upon these factors, the revised grant application should be competitively rated.

The property owners, Heritage Shoppes, LLC, have provided the City with an appraisal of the property, which sets the value at \$485,000 and a letter that indicates their willingness to submit the property for a land acquisition grant. The owners have also committed to increase their land donation from \$160,000 to \$201,400 (49% of the total appraised value of the property), plus an additional cash contribution of \$37,750 to the City to cover city administrative costs (if the grant is awarded) such as appraisal fees, environmental phase one assessment fees, etc. The Friends of Novi Parks has funded a wildlife study to help strengthen the application. There will be no cost to the City and the donations made by the property owners will also add valuable points to our total score.

Our application was one of 139 applications received by April 2<sup>nd</sup> competing for assistance under the MNRTF. Staff and community members have been gathering information and preparing the grant application, which will be re-submitted by October 5, 2007 if approved by City Council.

### RECOMMENDED ACTION:

Approval of resolution to increase land donation value (from \$160,000 to \$201,400) to the City of Novi by Heritage Shoppes, LLC for the previously approved Michigan Natural Resources Trust Fund grant application.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Gatt				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Nagy				
Council Member Paul				

CITY OF NOVI

COUNTY OF OAKLAND, MICHIGAN

RESOLUTION AUTHORIZING SUBMISSION OF  
A MICHIGAN NATURAL RESOURCES  
TRUST FUND (MNRTF) GRANT APPLICATION

Minutes of a \_\_\_\_\_ Meeting of City Council of the City of Novi,  
County of Oakland, Michigan, held in the City Hall in said City on \_\_\_\_\_, 2007,  
at \_\_\_\_\_ 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 of Novi City Council and Parks, Recreation, and Forestry  
Commission completed a five-year Community Recreation Plan in 2003 and amended it  
in 2005; and

**WHEREAS**, the Community Recreation Plan includes general goals relating to  
the acquisition of parkland areas in close proximity to existing parklands in order to  
increase contiguous recreation areas; and

**WHEREAS**, an opportunity exists to acquire approximately 16 acres of land  
between Nine Mile and Ten Mile Roads adjacent to the existing "Singh Trail" parkland  
and near the headwaters of the Huron River; and

**WHEREAS**, the owner of the property, Heritage Shoppes, LLC, has indicated a  
willingness to sell the property for parkland purposes, and would be further willing to  
donate a portion of the acquisition price and to also make a cash contribution to cover  
acquisition costs if necessary; and

**WHEREAS**, the Michigan Natural Resource Trust Fund (MNRTF) has grant  
monies available for the purchase of park land and open space;

**WHEREAS**, as part of the grant application, and in order to qualify for the grant, a “local match” is required; and

**WHEREAS**, the property owner has generously offered to personally donate a portion of the value of the property to constitute part of the City’s local match amount for the grant application, in the amount of \$201,400; and

**WHEREAS**, the property owner is also willing to make an additional personal donation of \$37,750 to cover City administrative costs, surveys/legal descriptions, etc., which shall also be part of the local match; and

**WHEREAS**, the City Council believes that it is appropriate to submit an application for the MNRTF grant for the acquisition of the 16-acre parcel and to gratefully accept the public-spirited offers of the property owner to cover the local match requirement and additional costs and fees.

**NOW, THEREFORE, BE IT RESOLVED** that the Novi City Council hereby resolves to take all actions necessary to re-submit a 2007 City of Novi Michigan Natural Resources Trust Fund (MNRTF) grant application in connection with the above property, subject to the following:

1. The total grant amount requested shall be \$520, 400, representing the total land value of \$485,000 plus \$35,400 in estimated incidental costs;
2. The amount to be paid by the MNRTF shall be \$281,250.
3. The amount of the “local match” amount shall be indicated in the application as \$239,150, or 46%, which shall be shown as a personal donation by the property owner of \$201,400 in land value of the property and \$37,750 in cash to be paid for by the property owner toward the administrative costs to the City for the grant application and survey/legal description fees or costs.

AYEA:

NAYS:

ABSTENTIONS:

ABSENT:

STATE OF MICHIGAN     )

)ss.

COUNTY OF OAKLAND    )

I, MARYANNE CORNELIUS, the duly-qualified Clerk of the City of Novi, Oakland County, Michigan, do hereby certify that the foregoing is an amended copy of the Resolution adopted by the City Council of the City of Novi, at a duly-called meeting held on \_\_\_\_\_, 2007, a copy of which is on file in my office.

\_\_\_\_\_  
MARYANNE CORNELIUS  
Clerk, City of Novi

This Resolution was signed and acknowledged before me on \_\_\_\_\_, 2007, by MARYANNE CORNELIUS, the duly authorized Clerk for the City of Novi, a Michigan municipal corporation.

\_\_\_\_\_  
Notary Public, Oakland County, Michigan  
My Commission Expires: \_\_\_\_\_

HERITAGE SHOPPES, LLC  
29201 TELEGRAPH ROAD  
SUITE 450  
SOUTHFIELD, MICHIGAN 48034  
(248) 353-1111

September 10, 2007

Mr. Steve Printz  
Novi Park, Recreation and Forestry  
45175 W. Ten Mile Road  
Novi, MI 48375

Dear Steve:

Per our conversation, this is to confirm our willingness to participate in the City's program of expanding the park system in Novi through land acquisition funded by the Michigan Natural Resources Trust Fund.

The land we discussed, parcel I.D. no. 50-22-29-326-001, was recently appraised at a value of \$485,000.

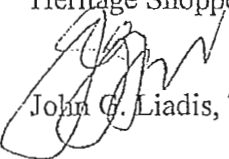
We are willing to sell the property to the City of Novi, through the State of Michigan National resources Trust Grant program, on the following terms:

Sales Price:	\$485,000
State of Michigan Grant:	\$281,250
Personal cash donation to City of Novi From Heritage Shoppes, LLC	\$37,750
Land Donation to City of Novi:	\$201,400
Total Donations:	\$239,150 (49%)
Cost to City of Novi:	\$0

We furthermore understand that it may take 6 to 12 months to secure the Grant and complete this transaction.

We are excited about and would like to help the City with this project.

Sincerely,  
Heritage Shoppes, LLC

  
John G. Liadis, Trustee, Member

HERITAGE SHOPPES, LLC  
29201 TELEGRAPH ROAD, SUITE 450  
SOUTHFIELD, MICHIGAN 48034

Novi Parks, Recreation, and Forestry  
26300 Delwa  
Novi, Michigan 48375  
Attn: Mr. Steve Printz

Re: Heritage Shoppes land

Dear Mr. Printz:

In furtherance of our September 10, 2007 letter outlining the proposed sale terms for the subject. We herein wish to confirm that our donation of \$239,150 will be given to Novi with no "strings attached" and that we have no obligations of any kind or nature pending with the City.

We furthermore wish to confirm that to the best of our knowledge there are no restrictions or easements pre-existing on the land that would create any extra ordinary responsibility to the City.

Sincerely,

Heritage Shoppes, LLC



John G. Liadis, Trustee, Member



# Heritage Shoppes Subject Property Project Location Reference Map

Michigan Natural Resources Trust Fund Grant Application  
City of Novi Parks, Recreation, and Forestry Department

