

**REGULAR MEETING OF THE COUNCIL OF THE CITY OF NOVI
MONDAY, MAY 19, 2025, AT 7:00 P.M.**

Mayor Fischer called the meeting to order at 7:00 P.M.

PLEDGE OF ALLEGIANCE

ROLL CALL: Mayor Fischer, Mayor Pro Tem Casey, Council Members Gurumurthy, Heintz, Smith, Staudt, Thomas

ALSO PRESENT: Victor Cardenas, City Manager
Danielle Mahoney, Assistant City Manager
Tom Schultz, City Attorney

APPROVAL OF AGENDA:

CM 25-05-64 Moved by Casey, seconded by Smith; MOTION CARRIED: 7-0

To approve the agenda as presented

Roll call vote on CM 25-05-64 Yeas: Casey, Gurumurthy, Heintz, Smith, Staudt, Thomas, Fischer
Nays: None

PRESENTATIONS:

Plante Moran Realpoint Update on 2025 Police and Fire Buildings Bond

Mayor Fischer said they have received a lot of information in their packets about the RFP process that is proposed by the experts, as well as the construction delivery methods. They've asked them to present on that tonight. City Manager Cardenas added that they were looking for a consensus that this was the direction to move in.

Brian Weber, Senior Vice President of Plante Moran Realpoint, said the next step in the process is to begin to procure the professional services necessary in the event the proposal is successful. He said this is a complex project and they are recommending a pre-qualified invite only request for proposal and selection process for this program. It will provide the best opportunity to bring in the best team with the qualifications required for such a large program. He added that it was consistent with the city ordinance of how to procure those professional services. He said they use this process regularly for programs of this nature and it encourages participation from qualified firms. It also is time efficient. He said they would put together a strong list of firms and work with city administration to make sure those are the right firms. From there, they reach out and start the process with the firms. He added they also have to determine the construction delivery method. He showed a matrix depicting multiple options. He stated their recommendation is a Construction Manager as a Constructor. The main driver behind that is it sets up integration and engagement with the owner. The City would hold a contract with the construction manager and there would be subcontractors below them. It makes the construction manager the single source of responsibility and they hold the subcontractors accountable. He spoke about the next steps and timeline. As long as this is the direction

they want to go, they would work with administration and legal to draft the RFPs. Then they would issue Architectural & Engineering and Construction Management RFPs to the pre-qualified firms. Once RFPs are submitted, they will do the due diligence and interview process. All of this is contingent on a successful passage of the millage in August, but they would have the proposals in hand.

Mayor Fischer said he appreciated the information they've provided over the past few months. He said when they talk about delivery methods, he could see why they would steer us away from a couple of them, but he noticed Construction Manager as Advisor and Construction Manager as Constructor were similar. He asked Mr. Weber to elaborate on what within our project steers them towards Constructor as opposed to Advisor. Mr. Weber said the key factor between the two is that the Construction Manager as Advisor is where the contractors are. They would be contracted directly with the City versus a Construction Manager as Constructor where they turn into subcontractors within that. We gain more control from a cost standpoint and a schedule risk standpoint. We can issue a guarantee maximum price amendment to the CMc who would receive all their bids. The CMc would come to the City with an amendment saying this is the guaranteed maximum price and all trades would roll underneath that contractor. You lose that control with a CMa, which is more risk. Mayor Fischer said he liked the work that was being done. He added that there is an information campaign out there and he thought it was smart to get all the ducks in a row in anticipation so they can hit the ground running. He asked if all of this work falls under the current contract that the City already has with Plante Moran Realpoint. Mr. Weber said this is all within the current contract. Their main focus is to make sure these RFP processes start so we can hit the ground running and not have to wait a few months after August to start the design process.

Member Gurumurthy said the team is recommending a pre-qualified invite only RFP and asked how they pick that selected list. Mr. Weber said they do a lot of research locally and nationally into firms that have the right pedigree and resumes for a program of this size. He added that they would work with administration to see if there is any company that the City has worked successfully with and they would consider them. He said the goal is to present 5 or 6 firms that they know have a local presence, which is a big thing, but also can team up with national firms that specialize in public safety. He said they consider all of that when they receive proposals and understand that we have that strong local power and know our local municipality and codes but also can tap into something nationally that has done a lot of these programs. They bring all of that together and that's how they feel they get the strongest firms. Even though it's not a public bid where they are competing against 12 or 15 firms, they know they are competing against 5 or 6 so we get the best of the best in this process. Member Gurumurthy said that is great. She asked who will actually manage the overall timeline of the project. Mr. Weber said that it would be the construction manager as a contractor, because that is their scope of work. He said they will be engaged early in what's called the pre-construction phase. He explained that the architect will be designing, and that there will be multiple iterations of their drawings such as the schematic design and design development and as drawings develop, they will be meeting milestones. Mr. Weber said the construction manager will be alongside them doing constructability reviews, doing estimates, and

looking at schedules to make sure that they are not drawing things that would later not be in the budget or cannot be built in the timeline. He said it is a team effort, and everybody will need to be on board very early in the process.

Mayor Fischer told Mr. Weber he thinks all of the information was presented and thanked him for coming in to elaborate. He said he looks forward to continuing to work on this project.

PUBLIC HEARINGS: None

CITY MANAGER REPORT: None

ATTORNEY REPORT: None

AUDIENCE COMMENTS:

Ibad Syed, 23629 Argyle, said he wanted to speak briefly about the bond proposal for the police and fire buildings. He said when anyone thinks of moving to Novi, the two things that come to their minds are schools and education and safety. So, it is no doubt that the police officers and firefighters work really hard to keep the City safe. He said he thinks it is important for them to be able to upgrade their facilities. He said he wanted to assess whether a one mill increase would cover a \$120 million bond over a period of 25 years. He said one mill translates to roughly about \$2.1 million annually based on the current collections. He said just the interest on the bond itself, even if it is at a 5% rate as he is sure we get good rates, but the one mill does not seem to calculate to be roughly even close to enough. He said he wanted to make sure this was very clear. He asked if this was just one mill and that was it or is it something that is going to get through the door and then later on the actual increase is going to be 3 or 4 mills. He said that property tax revenue is the largest income source for the City of Novi. He said that as he stated a few weeks ago, there are unfair assessments that are made. He said the message that goes out to homeowners is not to pull permits; finish your basements, but don't let the City know about it and they won't tax you on it. He said that is the message going to new construction and new homes. He said the assessor's office needs to take a different step on this. He said they have no issues going through listed homes to evaluate if there is finished space that they don't know about. He said that for some reason they draw the line at asking the question to the existing homeowners and doesn't know why that is the case. Syed said his rough analysis tells him that if they properly do it, based on what was listed on BSA versus what the property sells or the improvements that are on there, there would be a 10% increase. He said he doesn't have time to go over that in his three minutes but would be happy to. He said that the largest appropriation for the City is public safety, so changing that process would help cover a lot of what the City would need for public safety.

Mayor Fischer said typically this is not a question-and-answer format and typical practice is not to comment, however he would encourage the City Manager and City Assessor to reach out, because some of the information that was presented did have PFM involved

in the process. He said that they did make sure that the mill was put into place and the language did meet financial needs. He said he wants to make sure that the resident has all the information he needs. He said he would also like to point out that the March 10th, 2025, Council packet has that financial information and presentation as well. City Manager Cardenas confirmed that he would follow up with that information for the resident.

CONSENT AGENDA REMOVALS AND APPROVALS:

CM 25-05-65 Moved by Casey, seconded by Smith; MOTION CARRIED: 7-0

To approve the Consent Agenda as presented.

- A. Approve Minutes of:
 May 5, 2025 - Regular Meeting
- B. Approval of resolution recognizing the Skating Club of Novi as a nonprofit organization operating in the City of Novi for the purpose of obtaining a charitable gaming license from the State of Michigan.
- C. Consideration of request to transfer ownership of an existing Class C & SDM license from Novi Park, Inc. to Shiznay Panorama, LLC (dba 29 Novi), located at 43155 Main St. #208, Novi, MI 48375.
- D. Approval of Resolution for the City of Novi to enter into an agreement with the Oakland County Sheriff's Office for the purpose of providing marine patrol services on the portion of Walled Lake in the City of Novi for an estimated annual cost of \$11,400 over a three (3) year period (2025-2027).
- E. Approval of the Beautification Commission's recommendation to grant the Neighborhood Entryway Enhancement Matching Grant Program award to Walden Woods II for \$4,325.00.
- F. Approval of the **SECOND READING** of Text Amendment 18.305 to allow increased capacity in child care centers per the conditions stated in the amendment.
- G. Consideration of approval of Ordinance Amendment 25-160.04 to amend Section 22-112, "Fireworks", to add requirements for Commercial Fireworks Permits.
SECOND READING
- H. Approval of claims and warrants – Warrant 1180

Roll call vote on CM 25-05-65

**Yeas: Gurumurthy, Heintz, Smith, Staudt,
Thomas, Fischer, Casey**
Nays: None

MATTERS FOR COUNCIL ACTION:

1. Consideration of the FIRST READING for a City-Initiated Rezoning Amendment of 45241 Grand River Avenue to rezone from I-2 General Industrial to I-1 Light Industrial.

City Manager Cardenas said this is due to a PRO that was entered back in 2019 with the then owner of the property called Keford Collision and Towing. He said they received approval for a PRO amendment to rezone the 6.71-acre site to I-2. He said since then Keford Collision has ceased operating in their current form, and the owner of the property is looking to have a new development in the current structure which was the prior structure. The development that was proposed by Keford never happened. He said per the ordinance for the PRO, this is a process the City staff must initiate to return it back to its original zoning classification. He said this is the first reading and if there are any further questions, City Attorney Schultz could assist.

CM 25-05-66 Moved by Thomas, seconded by Smith: MOTION CARRIED: 7-0

Approval of Zoning Map Amendment 18.751, a City-Initiated Rezoning of 45241 Grand River Avenue to rezone from I-2 General Industrial to I-1 Light Industrial. FIRST READING

This motion is made for the following reasons:

- 1. The previously approved rezoning of this property with a PRO Agreement and concept plan was abandoned when the Keford Collision and Towing went out of business. Given that more than 2 years have elapsed, the rezoning and PRO concept plan have expired, and the agreement is void. The PRO Ordinance states that the City will initiate a new rezoning of the property to a reasonable district classification. The proposed rezoning returns the property to the I-1, Light Industrial district that existed previously.**
- 2. The rezoning is consistent with the recommendations of the Future Land Use Map.**
- 3. The rezoning is consistent with zoning to the north, east, and west.**
- 4. The rezoning is not expected to negatively impact public utilities or traffic in the area.**
- 5. The rezoning fulfills objectives of the Master Plan for Land Use by fostering a favorable business climate and attracting new businesses to the City.**

Roll call vote on CM 25-05-66

**Yeas: Heintz, Smith, Staudt, Thomas, Fischer,
Casey, Gorumurthy**

Nays: None

2. Final approval of Sakura East JZ23-41 with Zoning Map Amendment 18.743, to rezone from Light Industrial to Town Center One with a Planned Rezoning Overlay.

City Manager Cardenas said this is coming back to the Council after it has initially gone through the full PRO process. He said it initially came to the Council back in November and has gone through the Planning Commission. He said this is the rezoning of 3.5 acres near the Town Center on the south side of the road, east of the current Sakura development and will be called Sakura East. He said they are looking at still providing the overlook or pocket park as a public benefit and supporting the 45-unit multifamily development. He said they still have no idea where in that site the pocket park or overlook would be located and it is still up for determination with staff and the developer. He said this is the final stage in the process, and that the developer is present to address any questions the Council may have.

Tim Loughrin, Roberston Brothers Homes, said he had a presentation and showed the site plan. He said Sakura East is really an extension of the Sakura Novi Development. He said they have about 40 leases at this point with about 15 people moved in and a lot of landscaping put in. He said it looks beautiful, and the community is starting to come alive, and they are excited about it. He said Sakura East would be another 45 units on the east side of the city owned wetland complex, but it is really a part of Sakura Novi. He said it won't be classified as a different project, that all signage would be the same and the residents would have the same use of all the amenities for Sakura Novi, it is just being called Sakura East during this process. He said from a site perspective, the 45 units are very similar to what's being built right now; there is a flat grade rather than a split grade town home, but they are essentially the same. He said they each have a one or two car garage attached and plenty of parking as well. He said they are planning on building an amenity on the City's wetland complex and believes that was the recommendation from the Council. He said he thinks it is a great idea and said they have asked for some flexibility in staff, and the legal counsel has agreed because of the complexity with EGLE and getting permits because the location is a wetland. He said they wanted to have the time to be able to meet with EGLE staff and their consultants to make sure they are putting the amenity in the correct spot and that it makes sense from an EGLE perspective. He mentioned that if they didn't have to go through EGLE and wetland issues, it would be built tomorrow. He said the outlook would have plenty of open space, three distinct active amenity areas, and almost 50% of it being open space with is unheard of. He added that the overall connectivity between the two is that this project is an extension of Sakura Novi with the beautiful city wetland complex in between. He said the overlook is shown on the northwest corner of the wetland complex and noted that the City has made recommendations for the east side, and they are agreeable to that so long as EGLE is. He said they are just making sure they have the ability to meet with EGLE staff to cite the best places. He mentioned again that they are doing landscaping, and the amenities are all the same, and it is a part of Sakura Novi. He said it's just over 3 acres and an additional 45 units. He mentioned he is happy to answer any questions.

CM 25-05-67 Moved by Staudt, seconded by Casey

Approval of the request of Sakura Novi Residential, LLC, for Sakura East JZ23-41, with Zoning Map Amendment 18.743, to rezone property from Light Industrial (I-1) to Town Center One (TC-1), subject to the attached Planned Rezoning Overlay (PRO) Agreement, the corresponding PRO Plan, the conditions of this Motion, and the conditions listed in the staff and consultant review letters, and also subject to any changes and/or conditions as discussed at the City Council meeting, with any final minor alterations required in the determination of the City Manager and City Attorney to be incorporated by the City Attorney's office prior to the execution of the final agreement.

This motion is made for the following reasons, and only upon the assumption that all conditions and requirements of this motion and the PRO Agreement, will be satisfied:

- A. The proposed neighborhood-scaled, pedestrian accessible development would be in line with the intent of the 2016 Master Plan, or a reasonable alternative thereto. Developer indicates that the proposed development complements the 2016 Master Plan vision for a unique, well designed, mixed-use facility since it acts as an extension of the Sakura Novi project under development to the west.**
- B. The proposed residences will provide smaller footprint, middle-market rate residential rental offerings. The new homes would be a draw as temporary living opportunities for professionals and their families drawn to the City for work or other cultural reasons, as well as the large corporations that sponsor many of these families.**
- C. The developer will create a public overlook amenity at the existing pond on the City's parcel (22-23-226-042), including a walking path from the public sidewalk. Landscaping treatments, invasive species removal, the pathway, and a seating area at the edge of the pond will "activate" the pond. These efforts will provide an attractive amenity for appreciation of the water feature within an important corner at the heart of Novi.**
- D. For all of the foregoing reasons, the proposal will result in an enhancement of the project area as compared to a "straight" TC-1 designation, and will result in significant benefits to the public that would not otherwise be available with a straight rezoning TC-1, and the deviations listed in the Agreement are necessary to secure the enhancements listed above and in the PRO Agreement.**
- E. The proposed Town Center One zoning district is a reasonable alternative to the Gateway East District recommended in the Future Land Use Map, and fulfills the intent of the Master Plan for**

Land Use, and because:

- 1. A reduction in traffic compared to development under the current zoning. The traffic study shows a difference of about 20 fewer trips compared to a general light industrial use, or up to 835 fewer trips compared to a medical office use.**
- 2. The plan shows that the total open space areas to be provided will exceed the 15% Open Space requirement of the TC-1 district, with approximately 45% shown.**
- 3. The project will exceed the 9,000 square foot Usable Open Space requirement, with about 17,200 square feet proposed.**
- 4. Preservation of the on-site wetland. The wetland is very small in size (less than 0.1 acre) but does represent an ecological benefit.**
- 5. A publicly accessible pond overlook amenity to be provided on the City's parcel with similar amenities as illustrated on the PRO Plan. The final location and details of the amenity will be approved administratively by staff during the site plan review process.**

Member Heintz said he is in support of this area as well and he thinks it is a great project being proposed. He said he likes the amount of green space and applauded them for that.

Member Gurumuthy said she is in full support of this and was glad to see the promotion of a diverse community. She said hopefully it is a good location that we can plan housing to be favorable for seniors as well. She asked City Planner McBeth to provide some education and understanding a little bit about the easement. She said she thought earlier on the PRO it was requested for 43-foot-wide right-of-way, and now the applicant is asking for 33 feet. She said from the City end, she wants to verify everything is good and then asked if it is the same for the Sakura Novi project. City Planner McBeth said she believes the area being referenced is along the 11 Mile Road frontage. She said there is a black line that shows the center line of 11 Mile Road. She said they double checked the original Sakura down the street, and it is a 33-foot-wide right-of-way there. She said in this case the developer was making a case for continuing with the 33 feet so they could put certain utilities in the front yard. She answered that from the City perspective; they are good with that.

Member Gurumuthy said from an environmental standpoint, she was happy to see a charger as it was just visual, but now it is noted. She said there were comments that the applicant should consider sustainability, energy efficiency like LEED and recommended strategies. She said she was curious if something was done for the existing Sakura Novi projects and what the plans were for this. Mr. Loughrin said they are putting in charging stations, which is like other developments they have made. He said from a LEED standpoint, their townhomes are not classified as having LEED standards. However, they will meet and exceed all of the Energy Star standards. He said the homes are built to a

very tight standard, and get a very high rating and scores as far as their homes in general. Councilmember Gurumurthy said she would encourage them as much as possible to keep that in mind with the building materials or anything similar. She said there was a note about invasive species removal treatment within the wetland and thinks there is a plan for that already put together with EGLE. Mr. Loughrin said that it is part of the overlook and is not part of the wetland on the site. He said that staff asked for this to have an invasive species treatment within 25 feet of that amenity, and generally they would not be able to do that without having an EGLE permit, but the City has an EGLE permit that they would be working under. He said they have agreed to that as part of the PRO agreement.

Member Gurumurthy said with respect to the midblock non-motorized crossing she thinks we are at a point where now is not the time because of the construction, planning, and bond. She said she knows they don't have a detailed idea of what it is going to be because they have to evaluate after the extension of the goal drive, but asked the City Attorney if there is somewhere this can be put in the verbiage of the agreement that they want their support to do it when they are ready and know what they want. City Attorney Schultz asked if she was essentially talking about a cash contribution. She said yes, for this crossing, for this specific purpose. City Attorney Schultz said he was not involved in the negotiations but believes that there was a discussion about that with the engineering department, because he thinks it was originally in the draft of the agreement that they do that. He said he thinks it was negotiated out of the agreement with the acceptance of engineering because he does not believe them to be in favor of the mid-block crossing. He said this may be an issue that Mr. Loughrin may know about and about how much that would actually cost, as he believes it was a significant number. Mr. Loughrin said that with the flashing lights and system it is very expensive. He said the issue more than anything is from a liability and safety perspective. He said there is a hill there, so it is very unsafe to have a mid-block pedestrian crossing there which was agreed by staff. He said that they see the public benefit as being the overlook rather than the mid-block crossing from a safety perspective, so at this time it does not make sense. He said that if, and when, the loop road goes in that it would make the most sense to have the crossing as part of those improvements. The City Attorney said that at this time City staff and administration were requesting that it not be in the agreement. Member Gurumurthy said it is currently a safety concern, but it is a great opportunity to leverage the benefit in terms of thinking through connectivity. She said it would be a great benefit and then asked about the timing perspective. Mr. Loughrin said they will not be able to pave it this year, they still need final engineering approval and EGLE approval, and water and sewer permits. He said the hope is to at least grade it this year. He said there is a DTE line that runs right across the middle of the road that will be moved to the north side of 11 Mile Road. He said those two activities should be done by the end of the year and then in the spring they will put underground utilities and then pave the site. He said they are almost done building now and would like to get paving down to the ground early summer next year.

Member Smith asked about broadband access and if it would be fibered or wired connections into the units. Mr. Loughrin said they have a bulk agreement with Comcast

to provide wireless access to the apartments. Member Smith asked what was feeding the wireless connection. Mr. Loughrin said he believes it is fiber into the buildings and then nodes go out from there. He said Comcast is the bulk provider, so it is a part of the rent. Member Smith said he would be interested in an update.

Mayor Fischer asked City Attorney Schultz, as it relates to the public benefit there was discussion back and forth with staff about where the City wanted it and wanted to know if the City was giving up their ability to drive that and be over run in that decision as it pertains to the language. He asked if the City still had the authority to dictate where it goes. City Attorney Schultz said the City still has ultimate approval on that decision. Mayor Fischer asked if there was any disagreement about where it would go to. City Attorney Schultz said that is something they would have to work out. Mr. Loughrin said there is language that says it needs to be placed on the northeast side which is what he believes was the staff's preference. He said that would be the starting place, and that it is ultimately up to EGLE and they may want minimal impact to the wetland. City Attorney Schultz said that if it turns into an issue, they will have to appear again before the Council. Mayor Fischer said he would be inclined to have the language amended to say if it is not the Northeast, it needs to come back for a City Council decision. Mayor Fischer said to amend the motion to change the language in that order so that if it's not the northeast corner, even if it's caused by Eagle, it should come back to this body to make a final determination on the benefit.

Amended Motion

CM 25-05-67 Moved by Staudt, seconded by Casey: MOTION CARRIED: 7-0

Approval of the request of Sakura Novi Residential, LLC, for Sakura East JZ23-41, with Zoning Map Amendment 18.743, to rezone property from Light Industrial (I-1) to Town Center One (TC-1), subject to the attached Planned Rezoning Overlay (PRO) Agreement, the corresponding PRO Plan, the conditions of this Motion, and the conditions listed in the staff and consultant review letters, and also subject to any changes and/or conditions as discussed at the City Council meeting, with any final minor alterations required in the determination of the City Manager and City Attorney to be incorporated by the City Attorney's office prior to the execution of the final agreement.

This motion is made for the following reasons, and only upon the assumption that all conditions and requirements of this motion and the PRO Agreement, will be satisfied:

- A. The proposed neighborhood-scaled, pedestrian accessible development would be in line with the intent of the 2016 Master Plan, or a reasonable alternative thereto. Developer indicates that the proposed development complements the 2016 Master Plan vision for a unique, well designed, mixed-use facility since it**

acts as an extension of the Sakura Novi project under development to the west.

- B. The proposed residences will provide smaller footprint, middle-market rate residential rental offerings. The new homes would be a draw as temporary living opportunities for professionals and their families drawn to the City for work or other cultural reasons, as well as the large corporations that sponsor many of these families.
- C. The developer will create a public overlook amenity at the existing pond on the City's parcel (22-23-226-042), including a walking path from the public sidewalk. Landscaping treatments, invasive species removal, the pathway, and a seating area at the edge of the pond will "activate" the pond. These efforts will provide an attractive amenity for appreciation of the water feature within an important corner at the heart of Novi.
- D. For all of the foregoing reasons, the proposal will result in an enhancement of the project area as compared to a "straight" TC-1 designation, and will result in significant benefits to the public that would not otherwise be available with a straight rezoning TC-1, and the deviations listed in the Agreement are necessary to secure the enhancements listed above and in the PRO Agreement.
- E. The proposed Town Center One zoning district is a reasonable alternative to the Gateway East District recommended in the Future Land Use Map, and fulfills the intent of the Master Plan for Land Use, and because:
 - 1. A reduction in traffic compared to development under the current zoning. The traffic study shows a difference of about 20 fewer trips compared to a general light industrial use, or up to 835 fewer trips compared to a medical office use.
 - 2. The plan shows that the total open space areas to be provided will exceed the 15% Open Space requirement of the TC-1 district, with approximately 45% shown.
 - 3. The project will exceed the 9,000 square foot Usable Open Space requirement, with about 17,200 square feet proposed.
 - 4. Preservation of the on-site wetland. The wetland is very small in size (less than 0.1 acre) but does represent an ecological benefit.
 - 5. A publicly accessible pond overlook amenity to be provided on the City's parcel with similar amenities as illustrated on the PRO Plan. The final location and details of the amenity will be approved administratively by staff during the site plan review process. However, if the final location is not in the area northeast of the pond, City Council approval will be required.

Roll call vote on CM 25-05-67

**Yeas: Smith, Staudt, Thomas, Fischer, Casey,
Gurumurthy, Heintz**

Nays: None

3. Initial review of eligibility of Mariella Estates, JZ25-43, to rezone property north of Eight Mile Road, west of Garfield Road, from Residential Acreage to R-1 One Family with a Planned Rezoning Overlay.

City Manager Cardenas said this is just for the Council's initial reaction and a question-and-answer period with the developer of the proposal before they go through the formal PRO process with the planning decision then ultimately coming back for the Council final decision. He said this is the rezoning of 9.4 acres on 8 Mile Road to allow the development of 10 single family houses with half acre lots. He said this will be in the R-1 district under the current zoning, which currently allows for six single family lots. He said the applicant is proposing the public benefit of a five-foot wide paved pathway from the existing 8 Mile Road crosswalk to the entry of Maybury State Park, approximately about 280 feet. He said Maybury will have to approve this as well and they are still in the negotiation process. He said additionally the applicant would like to include a contribution to improvements at the City's ITC Park in the amount of \$15,000. He said specific improvements would be identified by a formal PRO agreement. However, the applicant has talked about baseball dugout covers and bench seating, a new playground structure, walking paths, and additional sporting infrastructure.

Matthew Bush, Atwell, on behalf of Mr. Antonello Stante, said he is there to present the Mariella Estates residential development. Antonello Stante said they have been doing site work in Novi since 1978. He said they did another development in Northville, and they are trying to recreate the same thing here in Novi. He said they would like to build more custom homes here in Novi and try to recreate the Bella Vista site in Northville. Mr. Bush said the site is a 9.3 acre site located on the north side of 8 Mile Road just west of Garfield. He said you will notice Ballentyne and Parc Vista also under construction and are all RUD projects with a minimum lot sizes of half an acre. He said their site does not meet ordinance requirements due to the size to be a RUD or else they would do an RUD to be consistent with the area. He said in order to be consistent with the nearby developments, that is the reason they are offering a PRO to allow them to do the half acre lot sizes. He said they plan to do 10 single family luxury custom homes with half acre minimum lot sizes. He said their density is just over one house per acre, which is significantly below the R-1 zoning, which led them to the PRO process. He said there are a couple of highlights to the plan like open space. He said there will be underground detention to allow for a usable park area near the entrance. He said they will have a significant amount of open space still providing for landscape buffers around the perimeter, and they are still talking to the Planning Commission. He said they are amenable to really beefing up the landscaping around setbacks. He said assuming this does move forward to site planning that will be something they will incorporate into the plan. He reiterated that there will be a large open park and a central node for mail kiosks, and a gathering point for residents. He said when they originally went to planning commission they proposed some of the pedestrian rapid flashing beacon signs for the pathway crossing, but after discussion with

the commission it was determined that was not as significant of a public benefit as they want as well as traffic concerns on 8 Mile Road. He said they went back and revised the public benefit that they feel is significant and well scaled to the size of their project, and are looking, pending approval, to pave a pathway from the crosswalk out to Maybury State Park. He said also nearby ITC Park they are looking to do some improvements to the baseball dugouts or potentially funding some of the concept planning next door, but it is under further discussion. He gave photographic examples of some of the homes they have previously built for the Bella Vista project in Northville and said that it is relative to the vision they have for the more custom diverse look of the homes and the luxury residents will feel.

Member Smith asked if there was a safety reason that the sidewalk along 8 Mile Road doesn't currently go down to the Maybury Park entrance. He said that creating a 280-foot sidewalk will lead to nowhere and the City will have to take care of it. He said that the City already has a sidewalk on the north side. Mr. Bush said that the idea was to have a pathway across the road, and that there is a seemingly clear-cut tree area that goes out to Maybury Park for intentional use but right now it is just gravel and dirt. He said the idea for the public benefit is to pave the path out to Maybury Park. He said they cannot run it along the road in the right-of-way because there are a lot of trees right up to the roadside ditch. He said the proposal is to pave the existing clear-cut path that goes out to Maybury Park. Member Smith said he would rather see the pathway cross where the regular park entrance is if that is safe and possible to do so. He said extra sidewalk to take care of isn't something the City is really interested in doing, he doesn't think. He asked if the public playground would be behind a gate, or if it would be accessible, and if this was a gated community. Mr. Bush said that was an original consideration, but they would open up the smaller area park to the public. He said they decided that the vision was to gate the development and that the smaller park didn't seem to be as significant as a benefit when you have a larger gated park right next to it, so that is not being proposed right now and is off the table. He said the larger park would be for resident use and their contribution would be towards the adjacent public park, or whatever is decided. He said they are still talking to the parks department about getting the biggest bang for their buck and possibly improving the existing public park as an offered public benefit. Member Smith said he understands that this is a small site, and it is hard to squeeze a public benefit into the site, but this may be an opportunity to think outside of the box and do something like solar panels on the roofs, inground heat exchangers for heat pumps to be more energy efficient and have less of an environmental impact. He said it is a public benefit to the residents, but it is also a public benefit because of proof of concept, and it helps save energy and that is good for everyone. He said he would like to know if it will have broadband access and if it will be fiber wired. Mr. Bush said he is not sure at this time; it will likely be whatever Comcast offers as an upfront purchase. Member Smith said something like that could also be considered public benefit.

Member Gurmurthy said that the original plan was for 6 homes and now they are doing 10. She said that some of the concerns at the Planning Commission meeting were the characteristics of the homes, but once she saw photos, she was pleasantly surprised. She said she would like to see the results of the wetland investigation to see how it will be

preserved. She said that is something she will be looking for. She said that preservation will help with the invasive species treatment. She said that the proposed Lot #1 is adjacent to the wetland, so it will be important to properly delineate how to properly preserve the wetland. She said that the applicant is proposing a 20-foot perimeter of landscape buffers from the lots, but only a few areas of the buffer show that landscape is being provided. She said she'd like to see additional trees, as many as possible, protecting the adjacent residents as well as providing green space and a crosswalk. She said that there were notes about a crosswalk from the Planning commission and assumes there is going to be a study done and if not, she would request a study on that to understand all of the safety concerns. She said that there are suggestions to put a crosswalk here and there, but a study would be the most informative about the safety and benefits of the placement. She said the paved trail is nice for a nature trail, and that it is great. She said that she read a resident comment about storm water runoff and asked the applicant how they are prepared to handle that. Mr. Bush said it is still very early and all of that will be flushed out with engineering, but as of right now they are anticipating an underground detention chamber that is represented in the plans. He said they will be capturing the way the contours work, and they do run off site right now. He said they will be capturing most of the lots in the site, they have rear yard storm detention areas to detain it, slow it down, and send it out to 8 Mile Road where there is a natural outlet for everything. Member Gorumurthy said that the last thing she will be looking for is energy efficiency and environmental impacts, to do whatever they can as far as LEAD. She said these are all custom homes, so it is a great opportunity to do so.

Member Heintz said he wants to demonstrate his support for what was already said by previous councilmembers. He said he is continuing to learn the scope and the potential impact for any PRO. He said it is a small space to be doing anything in that area and understands the difficulty of offering a public benefit there. He said given its proximity to Maybury State Park, it highlights the proximity to beautiful landscape features and that is all the more reason to try and be a leader in any sort of green sustainability facilities and homes. He said to try and do their best to really demonstrate a public benefit and be a leader for others to follow.

Member Thomas said Member Smith mentioned something about the proposed sidewalk to Maybury Park, and she agrees with his comments that it may not be something they would want to pursue. She said that she does love the idea of the applicant contributing to ITC, and that money spent is a public benefit. She said if there was a decision to make a proposal to switch around the public benefit and push more towards ITC. She said it is the applicant's choices and ideas, but she loves the idea of supporting ITC. She said they have a grand vision of ITC, so any public benefit money going into it would be great for the entire community. Mr. Bush said that it would be acceptable to contribute to ITC park improvements. He said for clarification, the crosswalk location that is shown on the provided plan, is not their proposed crosswalk, it is what is already existing, and they have no plan on scrubbing that and moving it, as it was painted relatively recently. He said he does not have the details, and it may have been put in even with Ballentyne, but it is already existing. He said in order to connect it to Maybury Park; they would have to move it.

Member Staudt said that about 10 or 12 years ago he proposed a sidewalk on 8 Mile Road. He said that there was nothing there and a lot of empty fields. He said this proposal is kind of the last of the developments in that area. He said he would like to thank the gentlemen for bringing forward a proposal, this is single family homes. He said they evaluate a lot of projects. He said this is the kind of thing that is simple for himself to support. He said a public benefit in a 10 home; very small area is extraordinarily difficult and takes some imagination to come up with something that is truly worthwhile. He said he hopes that the City staff will hold pressure on the applicant to come up with something that is a little but more robust than what they are currently offering. He said the project is definitely something that the City of Novi could be proud to represent and thanked the applicant for bringing it forward.

Mayor Pro Tem Casey asked if the crosswalk, as it exists today, was a part of Ballentyne RUD requirement. Humna Anjum, Engineering, said that the crosswalk was a part of the site plan for Ballentyne. She said that relocating it was briefly discussed with staff, and the issue was the turning movements for going in and out of Maybury State Park. She said of course, engineering prefers to keep it where it is to avoid issues with pedestrians crossing and vehicles turning in and out of the developments and the park. Member Casey said that having a crosswalk on 8 Mile Road frightens her a bit because that area is a 50-mph speed limit with no pedestrian barriers and no safety island for pedestrians in the middle. She said, not for this project but in general, the Council may need to consider making a safety improvement there. She said that she will tend to echo the majority of the previously made comments, and there is some pretty significant consensus within the council. She said she tends to pay a lot of attention to how much screening is between a new development coming in and the developments around it. She said that the half acre lots are significant from a setback perspective, but she also suspects that the back yards will be large as well. She said to pay attention to how much screening the new development will have from the existing houses, so they will not be surprised when they come back for a review. She said this would be a great addition to this part of the town. She said this was thoughtfully designed about how it would fit with the surroundings and will be a perfect place for what they are planning. She said she would agree that they are not sure that a pathway through a state park is something they will be able to accomplish. She said that with the closeness of ITC Park, there is a strong recommendation that if the applicant chose to increase their contribution, that would be a good opportunity as well. She said she looks forward to seeing this again.

4. Recommendation to adopt amended Novi Retirement Health Care Fund (OPEB) Investment Policy

City Manager Cardenas said this recommendation comes from the Finance Administration Committee which came up after engaging with a third-party reviewer, AON, to look at the City's OPEB investment policy and provide recommendations to improve long term sustainability and reduce portfolio volatility. He said that Tina Glenn, Assistant City Treasurer, was present to provide an overview and was supported by Ken

from Morgan Stanley who is the City's investment advisor to answer any questions they may have.

Tina Glenn, Assistant City Treasurer, said in July of 2024, the Finance and Administration Committee recommended hiring a third-party consultant to review the fund's investment strategy and make recommendations. She said the findings were presented to the committee in April and it was at that time that it was decided that they would like to move forward with those recommendations. She said the first step in that process is to amend the investment policy. She said the changes primarily include some cosmetic changes to the verbiage, but there are two main changes. The first is in section G, which refers to the objectives. She said now that the investments are fully funded, they are moving away from an emphasis on long-term growth of principle and moving toward an asset preservation and risk reduction. She said the second main change is to update the asset allocation as it is currently a 50/50 mix between equities and fixed income. She said they are looking to incorporate the recommendations of the contract of the consultant and that would change the 50/50 mix to a 40/60 mix in reference to equities and fixed income. She said that Morgan Stanley is represented at the meeting, and they have been with the City since the inception of the fund in 2003.

Member Staudt said that the Finance Committee asked that this be brought forward several years ago, maybe a year and a half ago. He said that Mayor Fischer has a tremendous amount of experience with the topic. He said they got outstanding guidance from the consultant and sat through a presentation where they were all kind of glazed over, except for the Mayor. He said the recommendations, and every option was weighed out. He said they have fiduciary responsibility as Council Members to make sure that their assets are protected. He said he was pleased with the outcome and felt very confident that the information is good and protects not only the employees, but the City from potential spikes and downturns in the market.

CM 25-05-68 Moved by Staudt, seconded by Casey: MOTION CARRIED: 7-0

Approval to adopt amended Novi Retirement Health Care Fund (OPEB) investment policy.

Roll call vote on CM 25-05-68

**Yeas: Thomas, Fischer, Casey, Gurumurthy,
Heintz, Smith. Staudt
Nays: None**

CONSENT AGENDA REMOVALS: None

AUDIENCE COMMENT: None

COMMITTEE REPORTS:

1. Mobility Committee - Councilmember Smith

Member Smith said that the Committee met last Thursday, May 15th, 2025, and started with an update from DPW. He said the update included the road refresh update. He said there are 198 miles of road we pay for and are responsible for as a city. He said 134 of those miles are asphalt or seal coated, 62 is concrete, and 2 mile are gravel. He said since 2018 the paser rating, a way of measuring how rough the road is, has gone from 42% good to above 52% good or above. He said one of the goals is to keep that improved. He said the committee got an update from the Safe Streets program which is a part of a federal program. He said they are going to be going out to residents for information. He said they will look for feedback so they can prioritize where unsafe things are. He said that due to the way it is funded, they will be required to build the boardwalk for the ITC to Bosco Connector Pathway to support emergency vehicles which is a considerably higher expense. DPW is going to SEMCOG to see if they will fund more money on that project. He said coming soon to the sidewalks near you will be the Sidewalk Bot. He said this is similar to the pacer program for sidewalks and asphalt pathways, and will be measuring how rough and deflected they are. He said the feedback from that will be going on through June and will feed into the program to repair the sidewalks whilst dividing the City up into regions and getting those repairs done. He said they also discussed upcoming road projects and how they related to the active mobility plan. He said he will be attending the EMCO Trail Summit at the EMCO offices on the 17th of this month and is hopeful he will bring back some good information with him.

MAYOR AND COUNCIL ISSUES:

COMMUNICATIONS: None

ADJOURNMENT – There being no further business to come before Council, the meeting was adjourned at 8:04 P.M.

Cortney Hanson, City Clerk

Justin Fischer, Mayor

Transcribed by Alyssa Craigie,
Administrative Assistant

Date approved: June 2, 2025