

1. October 4, 2016 Agenda

Documents:

[10-04-16 - COUNCIL AGENDA.PDF](#)

2. October 4, 2016 Packet

Documents:

[10-04-16 - COUNCIL PACKET.PDF](#)

**MAYOR  
Michael C. Taylor**

**COUNCIL MEMBERS**

**Joseph V. Romano, Mayor Pro Tem  
Deanna Koski  
Maria G. Schmidt**

**Nate Shannon  
Doug Skrzyniarz  
Barbara A. Ziarko**

**CITY OF STERLING HEIGHTS**

**AGENDA FOR REGULAR CITY COUNCIL MEETING**

**TUESDAY, OCTOBER 4, 2016**

**7:30 P.M.**

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**LOCATION: CITY COUNCIL CHAMBERS, CITY HALL, 40555 UTICA ROAD, PHONE (586) 446-CITY  
(MINUTES OF COUNCIL MEETINGS ARE FILED IN THE CITY CLERK'S OFFICE)**

**MEETING CALLED TO ORDER**

**PLEDGE OF ALLEGIANCE TO THE FLAG AND INVOCATION**

**ROLL CALL**

**APPROVAL OF AGENDA**

**REPORT FROM CITY MANAGER**

**PRESENTATION**

**2016 Beautification Awards Presentation**

**To acknowledge and accept a donation by Edward Piet of \$2,000 to the Sterling Heights Public Library to enhance the Ann Marie Given International Language Collection (Presentation -Tammy Turgeon, Library Director).**

**To acknowledge and thank Donald Schinzing for his distinguished service to the Sterling Heights Public Library and recognize him as a recipient of a Lifetime Membership in the Friends of the Library. (Presentation - Tammy Turgeon, Library Director).**

**PUBLIC HEARING**

1. **To consider the application by FCA US LLC for an Industrial Facilities Exemption Certificate at 38111 Van Dyke Avenue (Presentation - Luke Bonner, Senior Economic Development Advisor).**
2. **To consider the application by Ultra Manufacturing USA, Inc. for an Industrial Facilities Tax Exemption Certificate at 7191 17 Mile Road (Presentation - Luke Bonner, Senior Economic Development Advisor).**
3. **To consider the application by Ring Screw, LLC for an Industrial Facilities Tax Exemption Certificate at 6125 18 Mile Road (Presentation - Luke Bonner, Senior Economic Development Advisor).**

#### **ORDINANCE ADOPTION**

4. **To consider adoption of an ordinance amending Zoning Ordinance No. 278 to upgrade the landscaping and site improvement standards for nonresidential properties and developments within the City (Presentation - Chris McLeod, City Planner).**

#### 5. **CONSENT AGENDA**

- A. **Approval of Minutes  
Regular Meeting of September 20, 2016**
- B. **Approval of Bills**
- C. **To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding an emergency repair to the Fire Department's 2003 Sutphen aerial ladder truck (Total expenditure of \$12,011.31).**
- D. **To purchase construction and utility castings at unit pricing available through the Oakland County Cooperative Purchasing Program (Estimated annual expenditure of \$45,000).**
- E. **To approve an Interlocal Agreement between the City of Sterling Heights and City of Warren for Reciprocal Lending of Municipal Fire Apparatus.**

#### **CONSIDERATION**

6. **To consider approval of an Interlocal Governmental Agreement for Parks and Recreation Programs between the City of Sterling Heights and City of Warren (Presentation - Kyle Langlois, Parks and Recreation Director).**

7. **To consider approval of the distribution of the draft Master Land Use Plan to all required entities for review and comment (Presentation – Christopher McLeod, City Planner).**
8. **To consider a request to transfer ownership of a 2016 Class C liquor licensed business located at 37142 Van Dyke Avenue, Sterling Heights, MI 48312, from Siracoff, LLC to INB Corporation, with SDM license, Sunday Sales (AM / PM) and dance/ entertainment permit.**
9. **To consider nominations to City of Sterling Heights Boards and Commissions.**
10. **To consider an appointment to a City of Sterling Heights Commission.**

#### **COMMUNICATIONS FROM CITIZENS**

**(a) This item shall be taken up at 10:00 p.m. if the business portion of the agenda has not been concluded.**

**In accordance with the Sterling Heights Governing Body Rules of Procedure, under this agenda item, citizens are permitted to address the City Council on issues not on the agenda. Citizens are afforded a reasonable opportunity to be heard. Generally, no response shall be made to any communication from a citizen until all citizens have been permitted to speak.**

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- **Use vulgarity**
- **Make personal attacks on persons or institutions**
- **Disrupt the public meeting**

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#### **REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL**

#### **UNFINISHED BUSINESS**

#### **NEW BUSINESS**

**CLOSED SESSION PERMITTED UNDER ACT 267 OF 1976 - (roll call vote required)**

**ADJOURN**

**Clerk of the Council**

**The City of Sterling Heights will provide necessary reasonable auxiliary aids and services to individuals with disabilities at the meeting upon 7 days notice to the Community Relations Department at 446-CITY.**

**The backup information for this agenda is available on the City's website.  
Go to [www.sterling-heights.net](http://www.sterling-heights.net) and click on City Council e-Packets.**

**MAYOR  
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## **CITY MANAGER'S REPORT**

### **October 4, 2016 --- CITY COUNCIL MEETING**

#### **A. COLUMBUS DAY**

Columbus Day will be on Monday, October 10, 2016; All City Offices will be closed for an in-service training day for staff. There will be no interruption in the refuse collection. Anyone requesting additional information may contact the Public Works Department at 586.446.2440.

#### **B. DISPOSAL OF LEAVES**

City residents are reminded that City Ordinance prohibits disposal of leaves by raking them into the streets. Rather, leaves should be disposed of through mulching, composting, or bagging them in paper yard waste bags and placing them at the curb for separate yard waste pick-up on a regular refuse collection day. Additional information may be obtained by contacting the Community Relations Department at 586.446.2470.

#### **C. DADDY DAUGHTER DANCE**

The Parks and Recreation Department cordially invites all daddies and their princesses to "Be Our Guest" at the Beauty and the Beast themed Daddy Daughter Dance on Thursday, October 13<sup>th</sup> from 6 pm to 8:30 pm at the Century Banquet Center. Come join us and Belle for a fun-filled evening. Spots are limited. Please register at: <https://registration.sterling-heights.net>. There will be no door sales.

#### **D. STERLING FRIGHTS HALLOWEEN**

Sterling Frights Halloween for Sterling Heights children 12 years of age and younger. Come to Dodge Park on **Saturday, October 22<sup>nd</sup> from 10 am to 12 pm** for live music, a straw maze, hay rides, cider & donuts, goodie bags for all participants, inflatable activities for all of our young participants and our classic Scarecrow and Ms. Pumpkin. Don't forget to bring your camera for some super photo opportunities! This is a free program.

#### **E. FCA ANNOUNCES 700 NEW JOBS**

Last week, FCA US LLC announced it will create 700 new jobs at the Sterling Heights Assembly Plant when the Ram 1500 production begins. On July 26th, FCA US previously announced a \$1.48 billion investment at the Sterling Heights Assembly Plant (SHAP) to produce the next-generation Ram 1500 pickup truck beginning in 2018. This announcement marks nearly \$3 billion FCA US has invested in Sterling Heights since 2011.

#### **F. STERLING HEIGHTS REMAINS SAFEST CITY**

Based on Federal Bureau of Investigations (FBI) Preliminary Crime Statistics Report released last week, Sterling Heights remains one of the safest communities in the state with populations over 100,000. According to the Report, the City of Sterling Heights experienced 26 percent less property crimes than the national average of cities with populations over 100,000. Additionally, the number of violent crimes reported in Sterling Heights in 2015 was 38 percent less than the national average of cities over 100,000.

**G. SECLICKFIX (Presentation)**

**H. CLOSED SESSION**

Lastly, at the conclusion of tonight's agenda I am requesting that the City Council convene in Closed Session to discuss strategy in connection with pending litigation.

**I. MISCELLANEOUS**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark D. Vanderpool", written over a horizontal line.

Mark D. Vanderpool, City Manager

**AGENDA STATEMENT**

OMB AS03 Rev. 11/04

**Item Title:** 2016 Beautification Awards Presentation

**Submitted By:** Community Relations Department

**Contact Person/Telephone:** Sue Giallombardo, Community Relations Specialist, 586/446.2473 *SG*

**Administration (initial as applicable)**

**Attachments**

<i>MC</i> City Clerk	___	Resolution	___	Minutes
<i>AB</i> Finance & Budget Director	___	Ordinance	___	Plan/Map
<i>JK</i> City Attorney (as to legal form)	___	Contract	___	Other
<i>MV</i> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

**Presentation Executive Summary**

**Background**

- The Sterling Heights Beautification Commission’s mission is to encourage all city residents and property owners to accept basic responsibilities in preserving and enhancing the beauty of public and private properties. As part of its commitment to the community, the Beautification Commission also sponsors, plans, promotes, coordinates, and initiates activities for the restoration, preservation and enhancement of the beauty of Sterling Heights.
- For more than three decades, the Beautification Commission has promoted and sponsored a public recognition program honoring residential and commercial/industrial property owners that go “above and beyond” in their beautification efforts. Since the mid-1980s, the Beautification Commission has recognized and thanked thousands of property owners for taking pride of ownership through the annual Sterling Heights Beautification Awards.
- The Beautification Commission’s signature event is presented annually during the first City Council meeting in October. Giving recognition during a regular City Council meeting allows the Beautification Commission to televise the awards ceremony live on Sterling Heights Television and display the dedication and devotion of property owners towards making Sterling Heights a more beautiful place to live, work and play.

**Nomination and Selection of Winners**

- For the past five months, the Beautification Commission welcomed nominations from citizens who wished to recognize a Sterling Heights property owner for outstanding beauty resulting from the planting of annuals and perennials.
- In September, the Beautification Commission met to review more than 40 nomination photographs taken of homes, businesses and churches nominated for recognition.

Commissioners judged nominations and selected only superior properties that had a "Wow! Factor" when seen from the curb. Commissioners selected winners based on overall beauty, aesthetics and artistic use of color.

### This Evening's Award Presentation

- After being selected, each property owner is invited to attend the award presentation at the October 4th regular City Council meeting for recognition. During the presentation, Sterling Heights Beautification Commission Chairperson Gary Isom will give a brief introduction/explanation of the awards and then will invite Mayor Michael Taylor and members of the City Council to come before the presentation table to present the Beautification Awards to the property owners.
- Awards will be presented in the categories of commercial properties, multiple-family properties, single-family properties, and churches & schools. A "Best of the Best" recipient will also be honored in each of these categories. When property owners' names are called to be recognized by the Mayor and Council, a photograph of their property will appear on the chamber's video screen and shown live on SHTV.
- A program will be distributed at the City Council meeting announcing the winners. A list of winners is included in the agenda backup.

### Suggested Action:

MOVED BY:

SECONDED BY:

Resolved, to individually and collectively recognize the 2016 Beautification Award winners and thank them for the dedication and effort in making their properties, neighborhoods, and the city of Sterling Heights a more beautiful place to live, work and play.

2016 Beautification Nominations

<b>Name 1</b>	<b>Name 2</b>	<b>Address</b>
<b>Businesses</b>		
Disanto Travel Center		35885 Dodge Park Road
Mercury Promotions		35610 Mound Road
<b>Subway</b>		7960 Metro Parkway
<b>Multi-family</b>		
Aberdeen Gardens	Rocco 248-302-5861	44678 Marigold
Arden Courts Memory Care Community		11095 14 Mile Road
<b>Nottingham Cove Condominiums</b>	JBC, Inc.	51221 Schoenherr
Oakmont Senior Communities Sterling		41155 Pond View
Shoal Creek Apartments		34250 Ryan Road
Washington Square Homeowners	Colleen Rzeppa	40813 Rainier
<b>Churches/Schools</b>		
St. Jane Frances de Chantal		38750 Ryan Road
<b>St. Michael's Catholic Community</b>	Dan Orban	40501 Hayes
Grissom Middle School		35701 Ryan
<b>Single Family Homes</b>		
Allam residence		42212 Mac Rae
Boehmer	Judy	37433 Clubhouse
Bronson	Denice & Wally	36239 Melbourne
Bush	Hoyt & Nancy	12520 Raleigh
Carroll	Edward	11336 Village
DeGeorge	Joe & Sandy	38235 Sleigh
Gallant	Gary & Lisa	40262 Sugar Springs
Hardy	Beth	8811 Clinton River
Howard	Linda & Lorenzo	34401 Amsterdam
McQuade	Beverly	11125 Grenada
Milczynski	Kenneth & Barbara	3521 Leason
Moulliet	Seana	41215 Fieldview
<b>Pagoto</b>	<b>Tony</b>	<b>39134 Poinciana</b>
Regan	Stacey	13214 Grand Haven
Saleh	Mike	14909 Liri
Sancimino-Polakowski	Mary.....	35615 Rainbow
Schoeb	William & Gwendolyn	33148 Monticello
Scott	Sarah	36659 Adele
Shamo	Mary	4448 Kelly
Shehu	Adrian	42247 Sycamore
Smith	Kevin & Diane	4429 Kelly
Stinson	Arthur & Margaret	14615 Lakeshore
Straughen	Rick & Gail	14267 Lakeshore
Tuharsky	Geraldine	2507 Pall Mall
VanArman	Michelle	35475 Dearing
Wagner	Joe & Pat	8459 Leslie



Business of the City Council
Sterling Heights, Michigan

DELIVERED SEP 29 2016
City Clerk's Use
Item No: Presentation #2
Meeting: 10/4/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To acknowledge and accept a donation by Edward Piet of \$2,000 to the Sterling Heights Public Library to enhance the Ann Marie Given International Language Collection. (Presentation - Tammy Turgeon, Library Director)

Submitted By: Sterling Heights Public Library

Contact Person/Telephone: Tammy Turgeon, Library Director / 586-446-2640

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Title, Attachment Type, and Attachment Name. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary

Edward Piet is a resident of Sterling Heights and a retired employee of the Sterling Heights Public Library. In 2002, the Ann Marie Given International Language Collection was established in memory of Ed's late wife. This wonderful collection has grown to include published materials in over 20 languages, including Arabic, Chinese, Polish, Spanish, Urdu and Vietnamese.

Over the past fifteen years, Ed has donated \$27,000 to the Ann Marie Given International Language Collection. Because of Ed's generosity in 2007, the Sterling Heights Public Library was able to acquire furniture to furnish the Fireside Reading Area located on the second floor of the library.

Ed's dedication to the Sterling Heights Public Library and the residents of Sterling Heights is on-going as evidenced by a recent \$2,000 donation to purchase additional materials for the Ann Marie Given International Language Collection.

The Sterling Heights Public Library's mission is to serve as an information center for our community, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment. Ed Piet's generous monetary donations are invaluable to furthering this mission. The Sterling Heights Public Library is a better place because of Ed.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to acknowledge and accept the donation by Edward Piet of \$2,000 to the Sterling Heights Public Library to acquire materials for the Ann Marie Given International Language Collection.

**AGENDA STATEMENT**

OMB AS03 Rev. 11/04

**Item Title:** To acknowledge and thank Donald Schinzing for his distinguished service to the Sterling Heights Public Library and recognize him as a recipient of a Lifetime Membership in the Friends of the Library. (Presentation - Tammy Turgeon, Library Director).

**Submitted By:** Sterling Heights Public Library

**Contact Person/Telephone:** Tammy Turgeon, Library Director / 586-446-2640 

**Administration (initial as applicable)**

**Attachments**

<i>MK</i> City Clerk	___	Resolution	___	Minutes
<i>AB</i> Finance & Budget Director	___	Ordinance	___	Plan/Map
<i>MK</i> City Attorney (as to legal form)	___	Contract	___	Other
<i>MV</i> City Manager				

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**Executive Summary**

The Sterling Heights Public Library's mission is to serve as an information center for our community, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment. This mission is not achievable without the contributions of volunteer Library Board members and support from the Friends of the Library.

The success of the Sterling Heights Public Library is the product of strong direction provided by the Sterling Heights Public Library Board. For 25 years, from 1990 – 2015, Donald Schinzing has proven to be an indispensable and exemplary board member. During Don's tenure, which included multiple terms as Chairperson, the Public Library Board thrived. Notable achievements include the expansion of the library facility in 2000, the addition of the O'Reilly Children's Art Garden in 2010, expanded library programming for all age groups and implementation of the digital library collection, including e-books, digital magazines and downloadable music.

In recognition of his efforts, the Friends of the Library would like to present Don Schinzing with a Lifetime Membership in the organization. Organized in 1976, the Friends of the Library is a volunteer, non-profit organization dedicated to enhancing and improving library services in the Sterling Heights community. Through contributions, fund-raising activities, and volunteer efforts, the Friends of the Library supports adult and youth programs, maintains and improves collections, and provides new technologies and capital improvements.

It is both fitting and proper to acknowledge and thank Don Schinzing for his commitment to making a difference in the Sterling Heights community.

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to acknowledge and thank Donald Schinzing for his distinguished service to the Sterling Heights Public Library and recognize him as a recipient of a Lifetime Membership in the Friends of the Library.



Business of the City Council  
Sterling Heights, Michigan

City Clerk's Use  
Item No: 1  
Meeting: 10/4/16

**AGENDA STATEMENT**

OMB AS03 Rev. 11/04

**Item Title:** To consider the application by FCA US LLC for an Industrial Facilities Exemption Certificate at 38111 Van Dyke Avenue (Presentation - Luke Bonner, Senior Economic Development Advisor).

**Submitted By:** Office of Assessing

**Contact Person/Telephone:** Dwayne McLachlan, City Assessor / Luke Bonner, Senior Economic Development Advisor; 586/446-2341

Administration (initial as applicable)

Attachments

<i>PC</i>	City Clerk	<u>  x  </u>	Resolution	<u>  —  </u>	Minutes
<i>AB</i>	Finance & Budget Director	<u>  —  </u>	Ordinance	<u>  —  </u>	Plan/Map
<i>MB</i>	City Attorney (as to legal form)	<u>  x  </u>	Contract	<u>  x  </u>	Other
<i>MV</i>	City Manager				

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Executive Summary:

FCA US LLC, a Delaware limited liability company (Applicant), is a major automotive manufacturer that owns and operates the Sterling Stamping Plant and Sterling Heights Assembly Plant (SHAP) in Sterling Heights. Applicant is seeking one hundred percent tax abatement for a new real property investment of \$72,300,000 at the site of the old SHAP, commonly known as 38111 Van Dyke. Applicant is substantially renovating the old paint shop and portions of the old assembly facility to facilitate the relocation of production of the RAM 1500 pick-up truck to SHAP. The site of new investment is located within a Plant Rehabilitation District (PRD) established by the City Council on September 6, 2016.

In addition to this real property investment, Applicant will be equipping the new facility with personal property valued at approximately \$1,012,300,000. As a direct result of these new investments, 700 new jobs are expected to be created in Sterling Heights, which will generate an overall positive economic impact for the regional economy of \$112,000,000, annually (Multiplier Factor of 4 x Wages of \$40,000/job created x 700 jobs).

Suggested Action:

MOVED BY:

SECONDED BY:

RESOLVED, to adopt the resolution approving the application by FCA US, LLC for an Industrial Facilities Tax Exemption Certificate at 38111 Van Dyke Avenue for a period of 12 years in accordance with the guidelines established by City Council and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval.

Staff Report

**Subject:** Industrial Facilities Tax Exemption Certificate Application  
**Date:** October 4, 2016  
**Applicant:** FCA US LLC  
**Address:** 38111 Van Dyke  
**Sidwell Number:** 50-10-21-400-012-000 (Part Of)  
**Submitted By:** Dwayne McLachlan, City Assessor / Luke Bonner, Senior Economic Development Advisor  
**Direct Dial:** (586) 446-2341  
**Email Address:** [dmclachlan@sterling-heights.net](mailto:dmclachlan@sterling-heights.net)

**GENERAL INFORMATION**

Public Act 198 was enacted in 1974 to provide property tax incentives designed to stimulate local economic growth. These incentives include, in the case of eligible investments in a Plant Rehabilitation District (PRD), freezing the industrial facilities tax at the assessed value of the real property that is being replaced or restored. This results in a 100% exemption from property tax on the value of the real property improvements.

An application for an Industrial Facilities Tax Exemption Certificate (IFEC) requires that a written agreement is executed for performance issues and that no payment in excess of the approved fee is allowed in exchange for favorable consideration of the application.

**APPLICANT INFORMATION**

FCA US LLC (Applicant) is a world-wide leader in truck and automobile manufacturing. Applicant has had a long-term presence in Sterling Heights, with two major manufacturing facilities situated along the west side of Van Dyke, being Sterling Heights Stamping and Sterling Heights Assembly Plant (SHAP). Since 2010, Applicant has invested approximately \$1.5 billion at SHAP associated with the construction and equipping of a new, state-of-the-art paint shop and 1,000,000 square foot assembly plant.

**PROJECT INFORMATION**

Applicant has publicly announced that SHAP will be the new manufacturing facility for production of the next generation RAM 1500 pick-up truck. Applicant estimates expending \$72,300,000 for real property improvements to transform the functionally obsolete old facilities at SHAP. These real property improvements include \$41.8 million to upgrade the south paint shop facility, \$4.8 million for a new test track and test track enclosure, a \$6.4 million addition for a frame unloading area, and \$8.1 million in Trim Chassis Final upgrades. The rest of the investment by FCA US will be primarily special tooling and machinery and equipment and other technologies that enable the changeover of SHAP from the Chrysler 200 platform to the RAM 1500.

At the September 6, 2016 regular meeting, the City Council established a PRD for the parcel which will be the subject of the rehabilitation of obsolete industrial facilities. This provides Applicant with an incentive to undertake the rehabilitation project. The two FCA facilities within the proposed PRD that will be rehabilitated for this project are the former paint facility, which was closed when the new state of the art facility was built, and the main assembly area, which for the purposes of constructing

the RAM 1500 Pickup truck, is also obsolete. The benefit of the PRD and the IFEC to be considered is a tax freeze at the assessed value of the obsolete facility prior to rehabilitation. The tax freeze will ensure that FCA's property taxes will not increase as a result of this significant investment.

This is the largest one-time corporate investment in Sterling Height's history, and validates the city as an epicenter of economic development activity in the Metro Detroit region.

FCA US is a valued corporate partner in Sterling Heights that provides thousands of jobs that support area neighborhoods and businesses and have an economic impact across the region.

**STAFF RECOMMENDATION**

Listed below is a summary of Applicant's total real property investment directly relating to this proposed project. Based on these factors, and the fact that this Applicant is currently in compliance with all local codes and ordinances, the City's established Industrial Facilities Tax Abatement Program Guidelines dictate that Applicant qualifies for a *recommended* IFEC abatement term of twelve (12) years.

IDD Establishment Date: 09/06/2016

Total Real Property Investment: \$72,300,000 = 12 years (maximum)

Full Time Jobs Created as a Result of Project: 700 = \_\_\_\_\_

IFEC Term per City Guidelines: 12 years

Recommended IFEC Term: 12 Years

Full Time Jobs Created in Southeast Michigan:	700
Employment Multiplier for Manufacturing Jobs:	4
Related New Jobs Created in Southeast Michigan:	2,800
Average Wage of Jobs Created in Southeast Michigan:	\$40,000
Positive Area Impact of Jobs Created:	\$112,000,000

<u>PROPERTY TAXES ABATED (100%)</u>	<u>City Tax</u>	<u>School Tax</u>	<u>Total Tax</u>
Property Taxes Abated over 12-Year Term:	\$6,587,600	\$11,949,800	\$23,311,350

## RESOLUTION

A resolution of the Sterling Heights City Council approving the application by FCA USA LLC for an Industrial Facilities Exemption Certificate for a Rehabilitation Facility.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 4<sup>th</sup> day of October, 2016, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:30 p.m.:

PRESENT:

ABSENT:

The following preamble and resolution were offered by: \_\_\_\_\_  
and supported by: \_\_\_\_\_.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on September 6<sup>th</sup>, 2016, the City Council established by resolution a Plant Rehabilitation District (PRD); and,

WHEREAS, Applicant has filed an application for an Industrial Facilities Exemption Certificate with respect to a rehabilitation facility to be installed within the PRD; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on October 4<sup>th</sup>, 2016, at 40555 Utica Road, in Sterling Heights, MI at 7:30 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before August 11<sup>th</sup>, 2016 the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and,

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Sterling Heights and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, exceeds 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the city of Sterling Heights.

2. The application by FCA US LLC for an Industrial Facilities Exemption Certificate is hereby approved with respect to a Rehabilitation Facility on the following described parcel of real property situated within the Plant Rehabilitation District, to wit:

#### LEGAL DESCRIPTION

##### PARCEL A (Part of Parcel No. 10-21-400-012)

A parcel of land located in the Southeast 1/4 of Section 21, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, being part of Parcel No. 10-21-400-012 and more particularly described as:

Commencing at the Southeast corner of said Section 21; thence along the south line of said Section 21, also being the centerline of 16 Mile Road (60 foot half width), S89°20'50"W, 666.00 feet; thence N00°06'00"E, 60.01 feet to the north line of 16 Mile Road and the Point of Beginning; thence along said north line, S89°20'50"W, 1461.55 feet to the east line of Parcel No. 10-21-400-009; thence along said east parcel line, N00°08'30"E, 600.00 feet; thence along the north line of said parcel, S89°20'50"W, 490.00 feet to the east line of Michigan Central Railroad; thence along said east line, N00°08'30"E, 1937.33 feet; thence N89°55'11"E, 2500.51 feet to the west line of Van Dyke Avenue (variable width); thence along said west line the following three (3) courses:

1) S00°00'40"E, 422.13 feet;

2) N89°59'20"E, 6.00 feet and

3) S00°00'40"E, 1820.06 feet to the north line of Parcel No. 10-21-400-010;

thence along said north line, and the north lines of Parcel No. 10-21-400-006 and 10-21-400-002, S89°20'50"W, 561.24 feet to the west line of Parcel 400-002; thence along said west line, S00°07'24"W, 270.01 feet to the aforementioned north line of 16 Mile Road and the Point of Beginning. Containing 135.186 acres of land, more or less.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 12 years after completion.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 4th day of October, 2016.

---

Mark Carufel, City Clerk

# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

RECEIVED  
CITY CLERK

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit
STC Use Only	
Date Received by STC	Application Number

## APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) <b>FCA US LLC</b>	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) <b>336111</b>
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) <b>38111 Van Dyke Ave, Sterling Heights, MI 48312</b>	1d. City/Township/Village (indicate which) <b>City of Sterling Heights</b>
1e. County <b>Macomb</b>	2. Type of Approval Requested <input type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input checked="" type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment
3a. School District where facility is located <b>Utica</b>	3b. School Code <b>50210</b>
4. Amount of years requested for exemption (1-12 Years) <b>14 years (2 years construction + 12 years abatement)</b>	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

The proposed \$1.4 billion investment at Sterling Heights Assembly Plant is for future truck products. The program would introduce new technology and content changes to the plant and increase the complexity of the plant operations. The dimensions, powertrain, and options of the vehicle are being reviewed. Part of the proposed investment would include a complete renovation of old south plant paint shop. The \$1.012B investment figure noted in this application

6a. Cost of land and building improvements (excluding cost of land) ..... * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	72,300,000 Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures ..... * Attach itemized listing with month, day and year of beginning of installation, plus total	940,000,000 Personal Property Costs
6c. Total Project Costs ..... * Round Costs to Nearest Dollar	1,012,300,000 Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements	09/1/2016	08/31/2018	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements			<input type="checkbox"/> Owned <input type="checkbox"/> Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.  Yes     No

9. No. of existing jobs at this facility that will be retained as a result of this project. <b>1846</b>	10. No. of new jobs at this facility expected to create within 2 years of completion. <b>TBD</b>
--	---

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) .....	7,150,000
b. TV of Personal Property (excluding inventory) .....	
c. Total TV .....	7,150,000

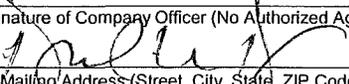
12a. Check the type of District the facility is located in:  
 Industrial Development District       Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) <b>September 6, 2016</b>	12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--	---

**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name	13b. Telephone Number	13c. Fax Number	13d. E-mail Address
14a. Name of Contact Person Jason Cooper	14b. Telephone Number 248-512-3406	14c. Fax Number 248-512-5858	14d. E-mail Address jason.cooper@fcagroup.c
▶ 15a. Name of Company Officer (No Authorized Agents) Daniel W. Devine			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number 248-512-5858	15d. Date 8/11/16
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1000 Chrysler Dr., mc 485-12-30, Auburn Hills, MI 48326		15f. Telephone Number 248-512-3087	15g. E-mail Address kevin.scott@fcagroup.com

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

**Michigan Department of Treasury  
State Tax Commission  
PO Box 30471  
Lansing, MI 48909**

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

## **Applicant Information**

### **Section 5 – Continued**

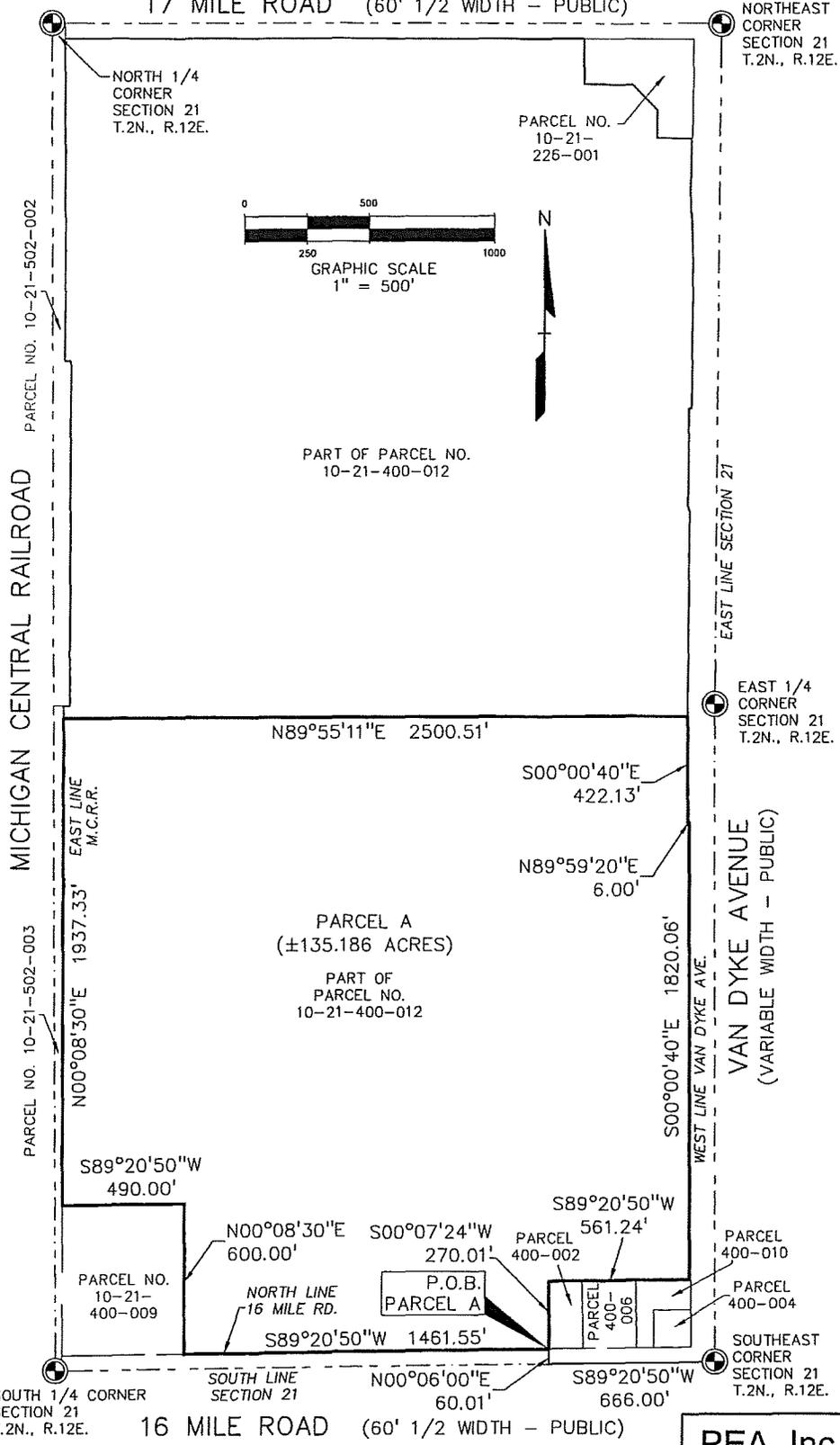
excludes all special tooling costs as well as a small portion of the investment that will occur at the Sterling Heights Stamping Plant.

### **Section 6 – List of Real Property Improvements**

-	South Paint Shop Renovations	(\$41.8M)
-	New Test Track and Enclosure	(\$5.8M)
-	New Drum Storage	(\$1.0M)
-	MMB South Truck Docks	(\$1.9M)
-	MMB North Truck Docks	(\$3.8M)
-	MMB Frame Unload Build Add	(\$6.4M)
-	MMB Paint to Body Trestle	(\$0.9M)
-	MMB TCF Upgrades	(\$8.1M)
-	MMB Body Shop	<u>(\$2.6M)</u>
-	TOTAL	\$72.3M

SKETCH OF DESCRIPTION

17 MILE ROAD (60' 1/2 WIDTH - PUBLIC)



CLIENT: NSA ARCHITECTS 23761 RESEARCH DRIVE FARMINGTON HILLS, MI 48335	SCALE: 1" = 500'	JOB No: 2016-069	2430 Rochester Ct, Ste 100 Troy, MI 48063-1872 t: 248.689.9030 f: 248.689.1044 www.peainc.com
	DATE: 8-5-16	DWG. No: 1 of 2	

**PEA, Inc.**

LEGAL DESCRIPTION

LEGAL DESCRIPTION

(Per PEA, INC.)

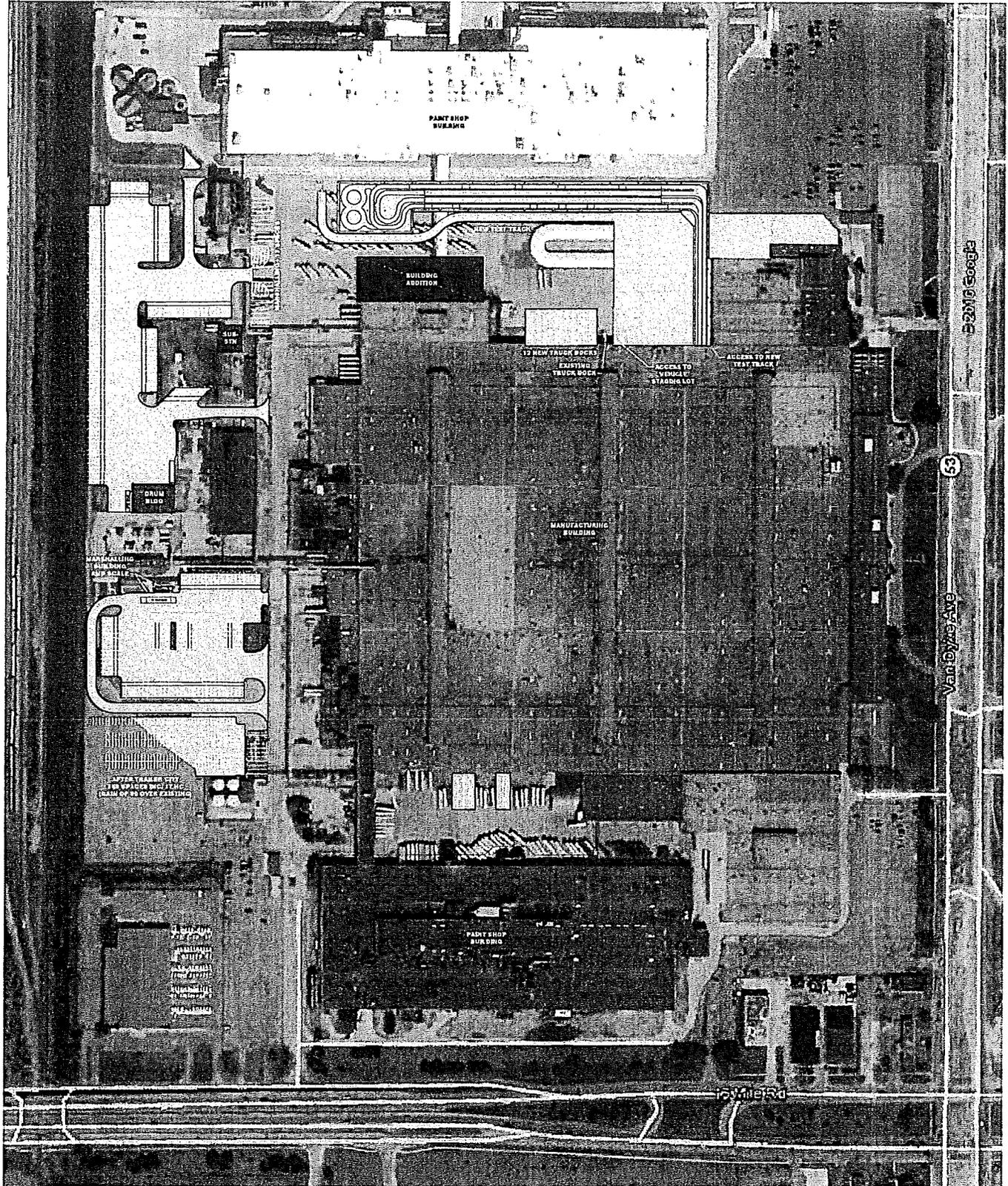
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 1) S00°00'40"E, 422.13 feet;  
 2) N89°59'20"E, 6.00 feet and  
 3) S00°00'40"E, 1820.06 feet to the north line of Parcel No. 10-21-400-010; thence along said north line, and the north lines of Parcel No. 10-21-400-006 and 10-21-400-002, S89°20'50"W, 561.24 feet to the west line of Parcel 400-002; thence along said west line, S00°07'24"W, 270.01 feet to the aforementioned north line of 16 Mile Road and the Point of Beginning.  
 Containing 135.186 acres of land, more or less.

CLIENT: NSA ARCHITECTS 23761 RESEARCH DRIVE FARMINGTON HILLS, MI 48335	SCALE: 1"= 500'	JOB No: 2016-069
	DATE: 8-5-16	DWG. No: 2 of 2

**PEA, Inc.**  
 2430 Rochester Ct, Ste 100  
 Troy, MI 48063-1872  
 t: 248.689.6090  
 f: 248.689.1044  
 www.peainc.com



PAINT SHOP BUILDING

NEW TEST TRACK

BUILDING ADDITION

12 NEW TRUCK DOCKS  
EXISTING 18 TRUCK DOCKS

ACCESS TO NEW TEST TRACK  
ACCESS TO EXISTING STABLING LOT

GRUN WOOD

MANUFACTURING BUILDING

MANUFACTURING EXPANSION

LAPPA TRAMER CO. IN SPACES INCLUDING INMAY BE OVER EXISTING

PAINT SHOP BUILDING

© 2019 Google

53

Van Dyke Ave

16 Miles Rd



Sarah T. Elliott  
Manager, State & Local  
Government Relations

December 23, 2010

*Rec'd OCM*  
DEC 27 2010

Mr. Mark Vanderpool  
City Manager  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009

Dear Mark:

Enclosed are the letters of agreements and affidavit of fees for the Chrysler Group LLC property located at 38111 Van Dyke Avenue, Sterling Heights, Michigan.

Please obtain signatures from the appropriate City of Sterling Heights representatives and return a copy for our files.

If you have any questions, please contact me on my cell phone, 810-571-1732, as our offices will be closed beginning December 24, reopening January 3, 2011.

It has been a pleasure working with you this year. I hope your Christmas holidays are merry and bright and that 2011 is a year of continued progress for the City.

Sincerely,

*Sarah T. Elliott*



# IFEC Application Affidavit of Fees

APPLICANT NAME: Chrysler Group LLC

PROPERTY ADDRESS: 38111 Van Dyke

### CERTIFICATION

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the City of Sterling Heights and the applicant referenced above do hereby swear and affirm that this applicant has not made, or promised to make payment of any kind to the City of Sterling Heights as a condition to the approval of this Application for an Industrial Facilities Tax Exemption Certificate (IFEC). Whether payments be referred to as "fees," "payments in lieu of taxes," "donations," or by other like terms, such payments are contrary to the legislative intent of Act 198, as amended. We do hereby swear and affirm by our signatures below that "no payment of any kind in excess of the fee allowed, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of this Application for an IFEC."

### CHRYSLER GROUP LLC

PRINT NAME: Paul L. Wolff  
TITLE: V.P. Chief Tax Counsel  
SIGNATURE: [Signature]  
DATE: 12-27-10

The forgoing certification was acknowledged this 12th day of December 2010

By Paul L. Wolff, \_\_\_\_\_ on behalf of Chrysler Grp.  
(Name) (Title) (Company Name)

[Signature]  
Notary Public, \_\_\_\_\_  
**KATHERINE M. MUZYK**  
Notary Public, Macomb County, Michigan  
My Commission Expires October 22, 2016

### CITY OF STERLING HEIGHTS

PRINT NAME: Walter C. Blessed  
TITLE: City Clerk  
SIGNATURE: \_\_\_\_\_  
DATE: \_\_\_\_\_

The forgoing certification was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_

By \_\_\_\_\_, \_\_\_\_\_ on behalf of \_\_\_\_\_  
(Name) (Title) (Company Name)

Notary Public, \_\_\_\_\_ County, MI

## ***IFEC LETTER OF AGREEMENT***

**DATE:**

**COMPANY NAME:** Chrysler Group LLC

**FACILITY ADDRESS:** 38111 Van Dyke

City Council  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009

**RE: Industrial Facilities Exemption Certificate between:  
Chrysler Group LLC and the City of Sterling Heights**

Dear Members of Council:

Chrysler Group LLC (the "Company") has submitted the attached Application (the "Application") to you requesting approval of an Industrial Facilities Tax Exemption Certificate ("IFEC"), pursuant to Michigan Public Act 198 of 1974, as amended, for the property located at 38111 Van Dyke, Sterling Heights, (the "Facility") (Legal Description of the property where the Facility is located is attached).

To encourage approval of the IFEC and in recognition of the investments the City of Sterling Heights (the "City") will make toward the economic growth of the Company, which will benefit the City, the Company agrees as follows:

1. **General.** (Check applicable lines consistent with the Application)

- a. The Company will purchase and/or lease and install the real property as set forth in the Application within two (2) years of the effective date of the IFEC ("Effective Date").
- b. The Company will comply with the requirements imposed by the City as part of the site review prior to issuance of a Certificate of Occupancy.
- c. If the Company indefinitely ceases operations at the Facility prior to the end of the term of the IFEC, the Company agrees to make reasonable provisions in compliance with all applicable laws, codes, and ordinances to facilitate the likelihood of reoccupancy or reuse of the unoccupied building(s) for productive industrial use within a reasonable time period after operations have ceased.

2. **Notice of Completion and Final Cost Report.** The Company will submit to the City, not later than 90 days after the completion date for each property component for which an IFEC was granted a Notice of Completion and Final Cost Report in a form requested by the City which includes the actual completion date and final cost of each project component for which an IFEC was originally granted, and an explanation if the final cost of either the real or personal property listed on the Application was greater than the original estimated amount by more than 10%.
3. **Remedies for Default.** In the event of default under paragraph 5, in addition to all other remedies available under City codes, ordinances, and laws and regulations, the City may pass a resolution requesting that the State Tax Commission (the "Commission") revoke the IFEC pursuant to Section 15, PA 198 of 1974, as amended, and, if revoked, the Company will repay to the City an amount equal to the amount of City taxes which were abated by the IFEC for the six-year period immediately preceding the effective date of the revocation.
4. **Representations; Recovery of Abated Taxes.** The Company agrees, in order to retain the benefits of the IFEC, to continue to operate the Facility within the City for the period of the IFEC unless the City consents to the relocation of the facility. Except as provided in paragraph 7, the Company further agrees that if it indefinitely ceases operations at the Facility at any time while the IFEC is in effect, it will:
  - (i) immediately repay to the City an amount equal to the amount of City taxes which were abated by the IFEC for the six-year period immediately preceding the effective date of the revocation.
  - (ii) consent to the revocation of the IFEC by the Commission. For greater clarity, if the cessation of operations is temporary in nature and caused by forces outside of the Company's control, (i.e., acts of God, industry changeovers, strikes, lack of materials, etc.), then no recovery of abated taxes is due.

The City shall not seek and hereby waives any and all rights to equitable relief other than the recovery of abated taxes as provided in this paragraph in the event the Company indefinitely ceases operations at the Sterling Heights Assembly Plant.

5. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable City codes, ordinances, local laws and regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other City environmental regulations. The City shall give the Company written notice of any alleged breach and the Company shall have sixty (60) days within which to cure the alleged breach, unless the breach may not be reasonably cured within such time period, in which case the time period shall be so extended. The City shall then have the right to proceed with its remedies under paragraphs 3 and 4, only if the breach is determined to be a material breach for which the City has sought revocation of the IFEC from the Commission and the Commission has authorized revocation of the IFEC.
6. **Review and Audit; Payment of Costs.** The Company understands that the City may review and audit the information provided by the Company to determine compliance with this Agreement and that any reasonable and necessary costs for such services shall not exceed \$2,000.00 per audit.

7. **Unforeseen Events.** By execution of this Agreement, it is understood that the Company's investment in the Facility and the City's investment in the granting of the IFEC are to encourage economic growth within the City. The City acknowledges that in some instances, economic conditions may prevent the Company from complying fully with this Agreement and the terms of the Application. The City will give the Company an opportunity to explain the reasons for any variations from the representations contained in the application and will evaluate the Company's situation prior to taking any action authorized by paragraphs 3 and 4 of this Agreement.
8. **Employment Status Report.** The Company will submit to the City, not later than January 31<sup>st</sup> of the second year after the effective date, and every two years after that date, an Employment Status Report in a form requested by the City, which includes the number of actual full-time jobs created as a direct result of the project for which the exemption was granted, and an explanation if the jobs created during the term of the IFEC was less than the original estimated amount.
9. **Entire Agreement.** This is the entire agreement of the parties relating to the matters covered by this Agreement, and no prior or subsequent promises, representations or assurances, whether in any other form, shall be used to modify, vary or contradict any provision of this Agreement, except for any written amendment to this Agreement or separate agreement signed following the date of this Agreement by authorized representatives of all parties to this Agreement.
10. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions thereof, which shall remain in full force and effect to govern the parties' relationship.
11. **No Third Party Beneficiary.** Nothing in this Agreement shall be deemed to create any right in a person not a party thereto and this Agreement shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party. This Agreement is not intended, nor shall it be deemed or construed to amend, alter or affect any labor agreement to which the Company is a party.
12. **Termination of Agreement.** Subject to Company's obligation to provide the City with a recovery of abated taxes as provided in this Agreement, this Agreement shall terminate upon expiration of the IFEC.



Applicant Name  
FCA US LLC

**Fiscal Statement (to be completed by local unit)**

- |  |                                     |                                     |
|--|-------------------------------------|-------------------------------------|
|  | <u>YES</u>                          | <u>NO</u>                           |
| Is this project:   |                                     |                                     |
| Real Property?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Personal Property?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Both Real and Personal Property - New Facility?            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| Both Real and Personal Property - Rehabilitation Facility? | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| Both New and Replacement Facility?                         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

Estimated Project Investment (not assessed value):

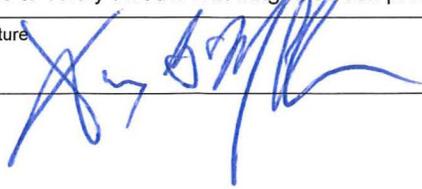
Real Property \$72,300,000.00	Personal Property \$940,000,000.00	not applicable	Total \$1,012,300,000.00
----------------------------------	---------------------------------------	----------------	-----------------------------

- |  | <u>YES</u>                          | <u>NO</u>                           | <u>REMARKS</u> |
|--|-------------------------------------|-------------------------------------|----------------|
| 1. A. Has the proper local authority reviewed the plan?  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | _____          |
| B. Is the project located in a certified industrial park?  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | _____          |
| C. Is this a renovation or expansion of an existing building?  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | _____          |
| 2. Will this project require improvement of your road service?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 3. Will this project require improvement of your sanitary sewer services?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 4. Will this project require improvement of your storm sewer services?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 5. Will this project require improvement of your water services?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 6. Will this project require additional police personnel, police equipment or a need for new police building expansion?                            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 8. Will this project require other costs?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |
| 9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds?       | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | _____          |

If you answered yes to any of questions 2 through 8, the appropriate sections of the Supplement to Fiscal Statement form must be completed and accompany the IFT application. Call (517) 373-3272 to obtain that form.

**LOCAL UNIT CERTIFICATION**

This is to certify that the following has been provided as accurately as possible.

Signature 	Name and Title of Local Governmental Unit Official Dwayne McLachlan, City Assessor
--	---



# Office of Assessing

## *IFEC Information Sheet*

Date: 10/4/16  
Applicant: FCA US LLC  
Address: 38111 VAN DYKE  
Sidwell Number: 50-10-21-400-012-000 (part of)

### PROPERTY LEGAL DESCRIPTION

PARCEL A (Part of Parcel No. 10-21-400-012-000)

A parcel of land located in the Southeast 1/4 of Section 21, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, being part of Parcel No. 10-21-400-012 and more particularly described as:

Commencing at the Southeast corner of said Section 21; thence along the south line of said Section 21, also being the centerline of 16 Mile Road (60 foot half width), S89°20'50"W, 666.00 feet; thence N00°06'00"E, 60.01 feet to the north line of 16 Mile Road and the Point of Beginning;

thence along said north line, S89°20'50"W, 1461.55 feet to the east line of Parcel No. 10-21-400-009;

thence along said east parcel line, N00°08'30"E, 600.00 feet;

thence along the north line of said parcel, S89°20'50"W, 490.00 feet to the east line of Michigan Central Railroad;

thence along said east line, N00°08'30"E, 1937.33 feet;

thence N89°55'11"E, 2500.51 feet to the west line of Van Dyke Avenue (variable width);

thence along said west line the following three (3) courses:

1) S00°00'40"E, 422.13 feet;

2) N89°59'20"E, 6.00 feet and

3) S00°00'40"E, 1820.06 feet to the north line of Parcel No. 10-21-400-010;

thence along said north line, and the north lines of Parcel No. 10-21-400-006 and 10-21-400-002, S89°20'50"W, 561.24 feet to the west line of Parcel 400-002;

thence along said west line, S00°07'24"W, 270.01 feet to the aforementioned north line of 16 Mile Road and the Point of Beginning.

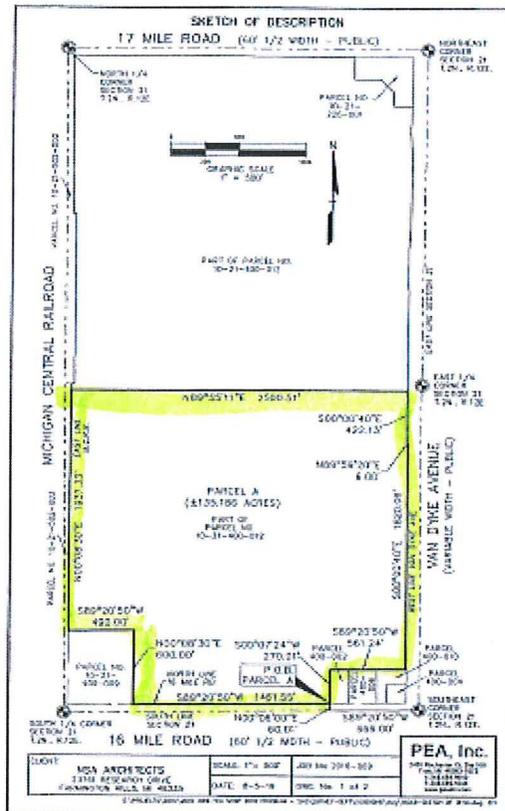
Containing 135.186 acres of land, more or less.

# Office of Assessing

## *IFEC Information Sheet*

Date: 10/4/16  
 Applicant: FCA US LLC  
 Address: 38111 VAN DYKE  
 Sidwell Number: 50-10-21-400-012-000 (part of)

### PROPERTY LOCATION MAP

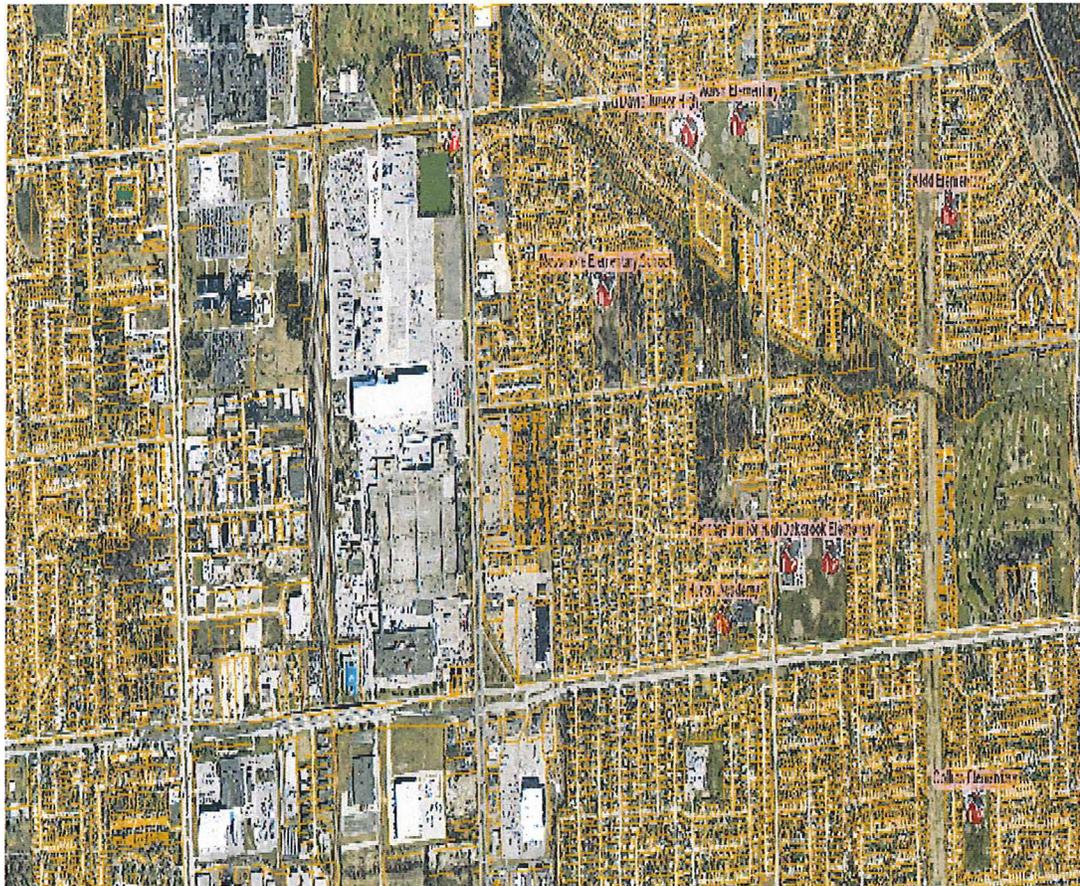


# Office of Assessing

## *IFEC Information Sheet*

Date: 10/4/16  
Applicant: FCA US LLC  
Address: 38111 VAN DYKE  
Sidwell Number: 50-10-21-400-012-000 (part of)

### PROPERTY LOCATION MAP

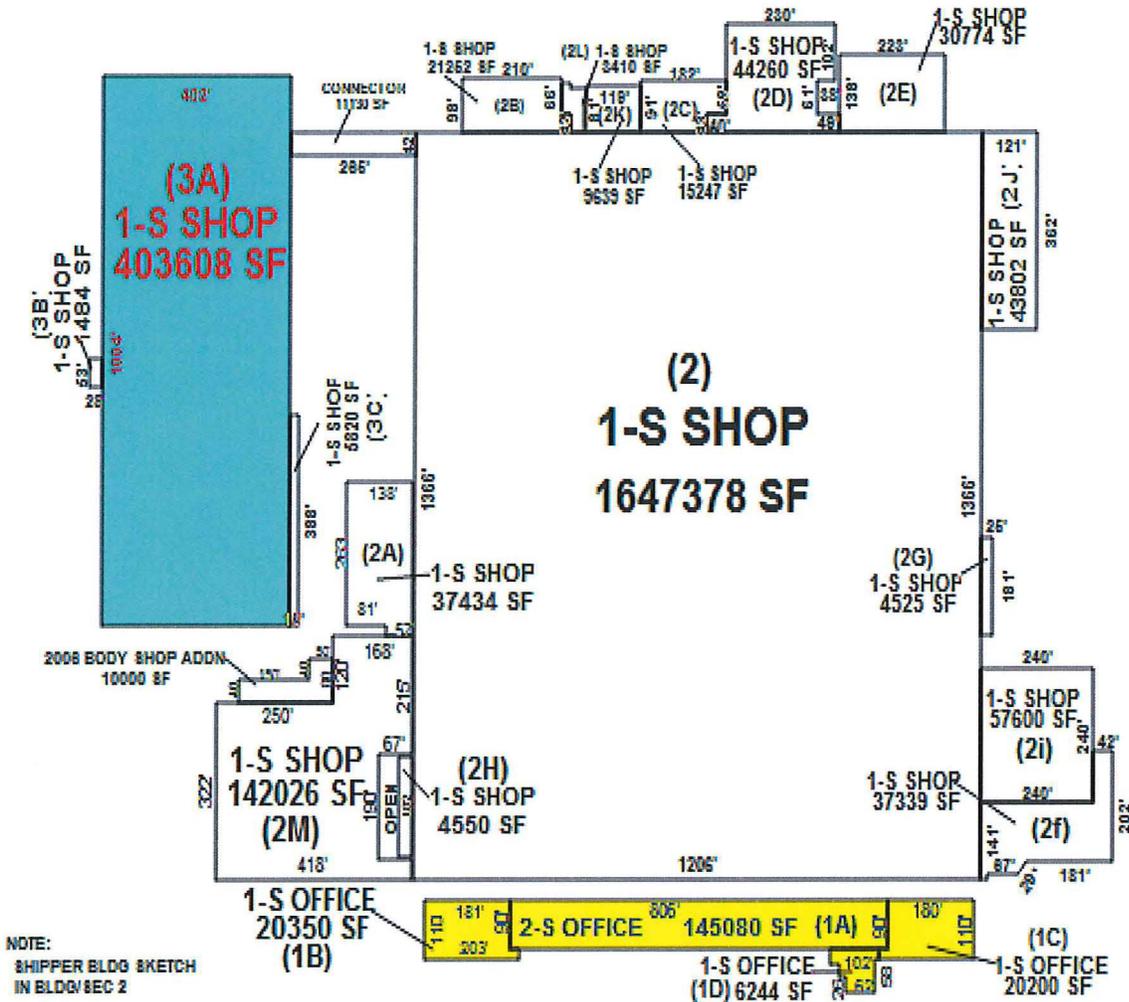


# Office of Assessing

## IFEC Building Sheet

Applicant: FCA US LLC  
 Address: 38111 Van Dyke  
 Sidwell Number: 50-10-21-400-012-000 part of

### BUILDING SKETCH





DATE: SEPTEMBER 23, 2016

APPLICANT: FCA

ADDRESS: 38711 VAN DYKE

PARCEL NUMBER:

# SHAP 2016 REHAB PROJECT

	IFT REAL PROPERTY	IFT PERSONAL PROPERTY	FULL AD VALOREM REAL PROPERTY	FULL AD VALOREM PERSONAL PROPERTY
CITY MILLAGE RATE:	7.5929	0.0000	15.1858	
UTICA SCHOOL MILLAGE RATE:	13.7734	0.0000	27.5468	
UTICA TOT MILLAGE RATE:	26.8688	0.0000	53.7375	

YEAR	REAL PROPERTY T.C.V.	DEP	REAL PROPERTY TAXABLE VALUE	CITY MILLAGE RATE	CITY TAX	SCHOOL MILLAGE	SCHOOL TAX	W.C.S. DIST TOTAL MILLAGE	TOTAL TAX
12	\$ 72,300,000	1.00	\$ 36,150,000	15.1858	\$ 548,967	27.5468	\$ 995,817	53.7375000	\$ 1,942,611
REAL PROPERTY TAXES ABATED OVER TERM:					\$ 6,587,600		\$ 11,949,800		\$ 23,311,350

YEAR	PERSONAL PROPERTY T.C.V.	DEP	PERSONAL PROPERTY TAXABLE VALUE	CITY MILLAGE RATE	CITY TAX	SCHOOL MILLAGE	SCHOOL TAX	W.C.S. DIST TOTAL MILLAGE	TOTAL TAX
1	\$ -	0.89	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
2	\$ -	0.76	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
3	\$ -	0.67	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
4	\$ -	0.60	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
5	\$ -	0.54	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
6	\$ -	0.49	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
7	\$ -	0.45	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
8	\$ -	0.42	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
9	\$ -	0.38	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
10	\$ -	0.36	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
11	\$ -	0.33	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
12	\$ -	0.31	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
PERSONAL PROPERTY TAXES ABATED OVER TERM:					\$ -		\$ -		\$ -

TOTAL TAXES ABATED OVER TERM:

\$ 6,587,600	\$ 11,949,800	\$ 23,311,350
--------------	---------------	---------------

TOTAL TAXES ABATED PER YEAR:

\$ 548,967	\$ 995,817	\$ 1,942,613
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Business of the City Council
Sterling Heights, Michigan

DELIVERED SEP 29 2016

City Clerk's Use
Item No: 2
Meeting: 10/4/16

AGENDA STATEMENT

OMB A503 Rev. 11/04

Item Title: To consider the application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Tax Exemption Certificate at 7191 17 Mile Road (Presentation - Luke Bonner, Senior Economic Development Advisor).

Submitted By: Office of Assessing

Contact Person/Telephone: Dwayne McLachlan, City Assessor / Luke Bonner Senior Economic Development Advisor; 586-446-2341

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Title, Attachment 1, Attachment 2. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary

Ultra Manufacturing (USA), Inc., d/b/a Mitchell Plastics (Applicant) is a leading full service Tier I supplier of automotive interior mechanisms and decorative components.

Applicant is seeking a fifty percent tax abatement for a proposed real property investment of \$10,000,000 in connection with the construction of its new manufacturing facility.

This proposed real property investment will generate an estimated increase of \$455,550 in new City tax revenue over the recommended twelve-year tax abatement term.

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

RESOLVED, to adopt the resolution approving the application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Tax Exemption Certificate at 7191 17 Mile Road for a period of 12 years in accordance with the guidelines established by City Council and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval

Staff Report

**Subject:** Industrial Facilities Tax Exemption Certificate Application  
**Date:** 10/4/2016  
**Applicant:** Ultra Manufacturing (USA), Inc.  
**Address:** 7191 Seventeen Mile Road  
**Sidwell Numbers:** 10-16-401-005-000  
**Submitted By:** Dwayne McLachlan, City Assessor and Luke Bonner, Senior Economic Development Advisor  
**Direct Dial:** (586) 446-2341  
**Email Address:** [dmclachlan@sterling-heights.net](mailto:dmclachlan@sterling-heights.net)

**GENERAL INFORMATION**

Public Act 198 was enacted in 1974 to provide property tax incentives designed to stimulate local economic growth. These incentives involve placing real property assets on an industrial facilities assessment roll with a specific tax rate that is approximately half of the tax rate associated with an ad valorem (regular) assessment roll. An application for an Industrial Facilities Tax Exemption Certificate (IFEC) requires that a written agreement is executed for performance issues and that no payment in excess of the approved fee is allowed in exchange for favorable consideration of the IFEC application.

**APPLICANT INFORMATION**

Applicant is a leading full service Tier I supplier of automotive interior mechanisms and decorative components. Applicant's corporate headquarter is situated in Kitchener, Ontario, with a sales and engineering office located in Troy, Michigan. Other manufacturing operations are conducted at production facilities situated in Waterloo, Ontario, Huntsville Alabama, Charlestown, Indiana, and Queretaro, Mexico. Total employment is approximately 2,200, including 18 employees locally at the Troy, Michigan office.

Applicant has experienced rapid growth over the course of the past five years. This growth has increased the need for production capacity, particularly near automotive customers in southeastern Michigan. A related company, Chalk Spade Investments (USA), Inc. acquired the former Sunnybrook Golf and Bowling in July, 2016. The acquisition will facilitate the development of a new 200,000 square foot manufacturing facility for Applicant. Once this new manufacturing facility is operational, Applicant will be a supplier to both FCA USA LLC and General Motors.

**PROJECT INFORMATION**

Applicant will become the tenant of a new 200,000 square foot manufacturing facility that is under construction on an 18-acre parcel of vacant land that previously comprised part of the Sunnybrook Golf and Bowling Center. This new facility will produce plastic injection molded components and interior assemblies for Applicant's automotive customers. In addition to a real property investment of \$10,000,000 to construct the manufacturing facility, Applicant will be installing new machinery and equipment valued at approximately \$9,000,000, which includes fifteen plastic injection molding machines valued at \$5,700,000.

**STAFF RECOMMENDATION**

Applicant is making a substantial financial investment in order to construct, equip, and operate its new manufacturing facility in Sterling Heights. Applicant's investment will result in 122 new jobs.

Listed below is a summary of Applicant's total real property investment directly relating to this proposed project. Based on these factors, and the fact that this Applicant is currently in compliance with all local codes and ordinances, the City's established Industrial Facilities Tax Abatement Program Guidelines dictate that Applicant qualifies for a *recommended* 50% tax abatement term of twelve years.

IDD Establishment Date: 09/06/2016

Total Real Property Investment: \$9,000,000 = 12 years (maximum)

Full Time Jobs Created as a Result of Project: 122 = \_\_\_\_\_

IFEC Term per City Guidelines: 12 years

Recommended IFEC Term: 12 Years

Full Time Jobs Created in Southeast Michigan: 122

Employment Multiplier for Manufacturing Jobs: 4

Related New Jobs Created in Southeast Michigan: 488

Average Wage of Jobs Created in Southeast Michigan: \$40,000

Positive Area Impact of Jobs Created: \$19,520,000

**PROPERTY TAXES ABATED (100%)**

**& ADDITIONAL REVENUE GENERATED**

**City Tax**

**School Tax**

**Total Tax**

Property Taxes Abated over 12-Year Term: \$455,550 \$826,400 \$1,612,120

## RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Exemption Certificate for a New Facility.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 4<sup>th</sup> day of October, 2016, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:30 p.m.:

PRESENT:

ABSENT:

The following preamble and resolution were offered by: \_\_\_\_\_  
and supported by: \_\_\_\_\_.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on September 6<sup>th</sup>, 2016, the City Council established by resolution an Industrial Development District (IDD); and,

WHEREAS, Ultra Manufacturing (USA), Inc. (Applicant) has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be installed within the IDD; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on October 4<sup>th</sup>, 2016, at 40555 Utica Road, in Sterling Heights, MI at 7:30 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, construction of the new facility and installation of new machinery and equipment had not begun earlier than six (6) months before August 23, 2016, being the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and,

WHEREAS, completion of the new facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Sterling Heights and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, exceeds 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the city of Sterling Heights.

2. The application by Ultra Manufacturing (USA), Inc. for an Industrial Facilities Exemption Certificate is hereby approved with respect to a New Facility on the following described parcel of real property situated within the Industrial Development District, to wit:

#### LEGAL DESCRIPTION

##### PARCEL A (Part of Parcel No. 10-21-400-012)

A parcel of land located in the Southeast 1/4 of Section 21, Town 2 North, Range 12 East, City of Sterling Heights, Macomb County, Michigan, being part of Parcel No. 10-21-400-012 and more particularly described as:

Commencing at the Southeast corner of said Section 21; thence along the south line of said Section 21, also being the centerline of 16 Mile Road (60 foot half width), S89°20'50"W, 666.00 feet; thence N00°06'00"E, 60.01 feet to the north line of 16 Mile Road and the Point of Beginning; thence along said north line, S89°20'50"W, 1461.55 feet to the east line of Parcel No. 10-21-400-009; thence along said east parcel line, N00°08'30"E, 600.00 feet; thence along the north line of said parcel, S89°20'50"W, 490.00 feet to the east line of Michigan Central Railroad; thence along said east line, N00°08'30"E, 1937.33 feet; thence N89°55'11"E, 2500.51 feet to the west line of Van Dyke Avenue (variable width); thence along said west line the following three (3) courses: 1) S00°00'40"E, 422.13 feet; 2) N89°59'20"E, 6.00 feet and 3) S00°00'40"E, 1820.06 feet to the north line of Parcel No. 10-21-400-010; thence along said north line, and the north lines of Parcel No. 10-21-400-006 and 10-21-400-002, S89°20'50"W, 561.24 feet to the west line of Parcel 400-002; thence along said west line, S00°07'24"W, 270.01 feet to the aforementioned north line of 16 Mile Road and the Point of Beginning. Containing 135.186 acres of land, more or less.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 12 years after completion.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 4th day of October, 2016.

---

Mark Carufel, City Clerk

# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit
STC Use Only	
Application Number	Date Received by STC

**APPLICANT INFORMATION**

All boxes must be completed.

*ULTRA MANUFACTURING (USA) INC.*

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) <i>ULTRA MANUFACTURING (USA) INC</i>		▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) <i>326199 (PRIMARY NAILS)</i>	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) <i>7191 17 MILE ROAD STERLING HEIGHTS MI 48313</i>		▶ 1d. City/Township/Village (indicate which) <i>STERLING HEIGHTS</i>	▶ 1e. County <i>MACOMB</i>
▶ 2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment		▶ 3a. School District where facility is located <i>UTICA</i>	▶ 3b. School Code <i>50210</i>
		▶ 4. Amount of years requested for exemption (1-12 Years) <i>12 YEARS</i>	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

*Facility will be a newly constructed manufacturing plant. Company will be producing plastic injection molded components and interior assemblies for automotive customers.*

6a. Cost of land and building improvements (excluding cost of land) .....	<i>~ \$10,000,000</i>
* Attach list of improvements and associated costs.	Real Property Costs
* Also attach a copy of building permit if project has already begun. - See attached -	<i>~ \$9,000,000</i>
6b. Cost of machinery, equipment, furniture and fixtures .....	Personal Property Costs
* Attach itemized listing with month, day and year of beginning of installation, plus total	<i>~ \$19,000,000</i>
6c. Total Project Costs .....	Total of Real & Personal Costs
* Round Costs to Nearest Dollar	

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	<i>9/1/16</i>	<i>3/30/18</i>	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	<i>9/1/16</i>	<i>3/30/18</i>	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.     Yes     No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. <i>NA</i>	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. <i>~122</i>
--	--

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) .....

b. TV of Personal Property (excluding inventory) .....

c. Total TV .....

▶ 12a. Check the type of District the facility is located in:

Industrial Development District       Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit) <i>ETA September 2016</i>	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	---

**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name <i>Dennis Hayes</i>	13b. Telephone Number <i>248 321 6757</i>	13c. Fax Number <i>NA</i>	13d. E-mail Address <i>DENNIS.HAYES@MITCHELLPLASTICS.COM</i>
14a. Name of Contact Person <i>Frank Agvanno</i>	14b. Telephone Number <i>519 893 3821</i>	14c. Fax Number <i>519 893 6292</i>	14d. E-mail Address <i>FRANK.AGVANNO@MITCHELLPLASTICS.COM</i>
15a. Name of Company Officer (No Authorized Agents) <i>DENNIS HAYES</i>			
15b. Signature of Company Officer (No Authorized Agents) <i>[Signature]</i>		15c. Fax Number <i>NA</i>	15d. Date <i>NOV. 7/18/16 7/21</i>
15e. Mailing Address (Street, City, State, ZIP Code) <i>1282 KIRTS BLVD SUITE 200 48084 TROY MI</i>		15f. Telephone Number <i>2483216757</i>	15g. E-mail Address <i>SEE ABOVE</i>

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

<p>16. Action taken by local government unit</p> <p><input type="checkbox"/> Abatement Approved for ____ Yrs Real (1-12), ____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><input type="checkbox"/> Denied (Include Resolution Denying)</p>	<p>16b. The State Tax Commission Requires the following documents be filed for an administratively complete application:</p> <p>Check or Indicate N/A if Not Applicable</p> <p><input type="checkbox"/> 1. Original Application plus attachments, and one complete copy</p> <p><input type="checkbox"/> 2. Resolution establishing district</p> <p><input type="checkbox"/> 3. Resolution approving/denying application.</p> <p><input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant)</p> <p><input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant)</p> <p><input type="checkbox"/> 6. Building Permit for real improvements if project has already begun</p> <p><input type="checkbox"/> 7. Equipment List with dates of beginning of installation</p> <p><input type="checkbox"/> 8. Form 3222 (if applicable)</p> <p><input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)</p>
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable	
<p><input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district.</p> <p><input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing.</p> <p><input type="checkbox"/> 3. List of taxing authorities notified for district and application action.</p> <p><input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.</p>	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

Michigan Department of Treasury  
State Tax Commission  
PO Box 30471  
Lansing, MI 48909

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC-USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

**Tax Abatement Application Info**  
**Mitchell Plastics**

**NEW MACHINERY AND EQUIPMENT INVESTMENT**

<u>Equipment</u>	<u>Cost</u>	<u>Date Installed</u>
Plastic Injection Molding Machines (15)	\$5,700,000	ETA 2017
Molding Linear Axis Robots (15)	\$795,000	ETA 2017
Material Dryer and Feed System	\$500,000	ETA 2017
Crane, Overhead Bridges w Hoists	\$200,000	ETA 2017
Electrical Generator (supplemental)	\$200,000	ETA 2017
Manufacturing Software System	\$80,000	ETA 2017
Electrical Service (main plant)	\$600,000	ETA 2017
Process Water System	\$175,000	ETA 2017
Air Compressors	\$130,000	ETA 2017
Fire Protection System	\$300,000	ETA 2017
Furniture, workstations, other misc office	\$60,000	ETA 2017
Dryers, Blenders, thermolators, worktables	\$60,000	ETA 2017
IT Equipment and Computers	\$100,000	ETA 2017
Fork Trucks and Transport Equipment	\$100,000	ETA 2017
<b>Est. Cost for New Machinery and Equipment</b>	<b>\$9,000,000</b>	

**LAND AND BUILDING INVESTMENT**

<u>Item</u>	<u>Cost</u>	<u>Date Transpired</u>
Property, ~18 acres, Sterling Heights	\$3,500,000	May 2016
Building, new construction ~200,000 sq. ft.	\$10,000,000	ETA 2017
<b>Est. Cost for Property and Building</b>	<b>\$13,500,000</b>	

**TOTAL PROJECT INVESTMENTS**      **\$22,500,000**

## IFEC LETTER OF AGREEMENT

DATE: 7/21/16  
COMPANY NAME: ULTRA MANUFACTURING (USA) INC.  
FACILITY ADDRESS: 7191 17 MILE ROAD  
City Council STERLING HEIGHTS, MI  
City of Sterling Heights (NEW PARCEL, SW CORNER, NEW CONSTRUCTION)  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009

RE: Industrial Facilities Tax Exemption Certificate between:  
ULTRA MANUFACTURING (USA) INC. and the City of Sterling Heights  
dba MITCHELL PLASTICS  
Dear Members of Council:

ULTRA MANUFACTURING (USA) (the "Company") has submitted the attached Application (the "Application") to you requesting approval of an Industrial Facilities Tax Exemption Certificate ("IFEC"), pursuant to Michigan Public Act 198 of 1974, as amended, for the property located at 7191 17 MILE ROAD (SW), Sterling Heights, (the "Facility") (Legal Description of the property where the Facility is located is attached).

To encourage approval of the IFEC and in recognition of the investments the City of Sterling Heights (the "City") will make toward the economic growth of the Company, which will benefit the City, the Company agrees as follows:

1. **General.** (Check applicable lines consistent with the Application)
  - a. The Company will make the improvements set forth in the Application within two (2) years of the effective date of the IFEC (the "Effective Date").
  - b. The Company will purchase and/or lease and install the personal property as set forth in the Application within two (2) years of the Effective Date.
  - c. The Company will create 122 new full-time jobs at the Facility within two (2) years of the Effective Date.
  - d. The Company will comply with the requirements imposed by the City as part of the site review prior to issuance of a Certificate of Occupancy.

2. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable Federal, State, and local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other environmental regulations.
3. **Continued Operation of the Facility.** The Company further agrees to continue to operate the Facility within the City for the period of the IFEC in order to retain the benefits of the IFEC.
4. **Premature Vacation of the Facility.** If the Company vacates, or intends to vacate, the Facility prior to the end of the term of the IFEC, the Company shall be responsible for the following:
  - a. If the Company intends to vacate the Facility for which the IFEC has been approved and issued prior to the end of the term of this agreement, the Company agrees to notify the City Assessor in writing of such intent and the reasons for vacating not less than 60 days prior to vacating the facility.
  - b. The Company agrees to make reasonable provisions satisfactory to the City and in compliance with all applicable laws, codes and ordinances to maximize the likelihood of re-occupancy or re-use of the unoccupied building for productive use within a reasonable time period after the Facility is vacated.
  - c. The Company shall, if requested by the City, deposit an amount equal to the amounts anticipated to be due from the Company under this agreement as a result of the Company vacating the Facility prior to the term for which the IFEC was approved, including but not limited to any reasonable cleanup or maintenance costs, administrative fees, court costs, and attorney fees incurred.
  - d. The Company shall pay any outstanding taxes and shall repay to all affected municipalities an amount equal to the total tax amount abated by the IFEC (unless recovery of a lesser amount is requested by the City or other taxing authority) within 30 days of the date of an invoice for such taxes.
  - e. If the Company fails to pay the amount of the invoice for abated taxes within 30 days of the date of the City invoice, the Company shall be responsible for any additional costs incurred by the City in recovery of such taxes, including, but not limited to administrative fees, court costs, and attorney fees incurred.
5. **Notice of Completion and Final Cost Report.** The Company will submit to the City, not later than 90 days after the completion date for each property component for which an IFEC was granted a Notice of Completion and Final Cost Report in a form requested by the City which includes the actual completion date and final cost of each project component for which an IFEC was originally granted, and an explanation if the final cost of either the real or personal property listed on the Application was greater than the original estimated amount by more than 10%.
6. **Employment Status Report.** The Company will submit to the City, not later than January 31<sup>st</sup> of the second year after the effective date, and every two years after that date, an Employment Status Report in a form requested by the City, which includes the number of actual full-time jobs created as a direct result of the project for which the certificate was granted, and an explanation if the jobs created during the term of the IFEC was less than the original estimated amount.

7. **Review and Audit: Payment of Costs.** The Company understands that the City may review and audit the information provided by the Company to determine compliance with this agreement and that any costs for such services will be paid by the Company in accordance with a fee schedule approved by the City Council, which may be adjusted from time to time based upon increases in costs to the City.
8. **Remedies for Default for Failure to Satisfy Representations Made in Application.** The Company understands that the City may pass a resolution requesting that the State Tax Commission reduce the term of the IFEC or revoke the IFEC to the extent that the construction or expansion of the Facility has not been completed, expenditures made, or employment reached as represented by the Company in the application, by sending a copy of this Agreement along with a copy of the City Council resolution authorizing such action to the State Tax Commission. In addition, the Company acknowledges that the City may take into account any deficiency in job creation, or real or personal property investment made under this application in a subsequent application for an IFEC or an Exemption of New Personal Property filed by the Company.
9. **Consequences of Unsuccessful Real or Personal Property Tax Appeal.** The Company acknowledges that if during the term of this Agreement, the Company appeals any real or personal property assessment to the Michigan Tax Tribunal or other court of competent jurisdiction upon which it does not prevail, that the Company shall pay to the City all reasonable costs, expenses, and attorney fees incurred by the City in defending such appeals within thirty (30) days of the date of receipt of an invoice from the City. The Company also acknowledges that the City may consider such appeals in deciding the term of any subsequent certificates granted to the Company.
10. **Unforeseen Events.** By execution of this agreement, it is understood that the Company's investment in the Facility and the City's investment in the granting of the IFEC are to encourage economic growth within the City. The City acknowledges that in some instances, economic conditions may prevent the Company from complying fully with this agreement and the terms of the Application. The City will give the Company an opportunity to explain the reasons for any variations from the representations contained in the application and will evaluate the Company's situation prior to taking any action authorized by paragraph 4 and 8 of this agreement.
11. **Entire Agreement.** This is the entire agreement of the parties relating to the matters covered by this Agreement, and no prior or subsequent promises, representations or assurances, whether in any other form, shall be used to modify, vary or contradict any provision of this Agreement, except for any written amendment to this Agreement or separate agreement signed following the date of this Agreement by authorized representatives of all parties to this Agreement.
12. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions thereof, which shall remain in full force and effect to govern the parties' relationship.
13. **Reimbursement of Attorney Fees for Modification of Standard Agreement.** The Company agrees to reimburse the City within 30 days of the date of a receipt of an invoice from the City for all attorney fees incurred by the City in the negotiation or preparation of changes to the standard IFEC Letter of Agreement.

**ACCEPTED BY: THE COMPANY**

NAME: Dennis Hayes  
TITLE: Director U.S. Operations  
SIGNATURE: [Signature]

[Signature] 8/15/16

STATE OF MICHIGAN  
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_, \_\_\_\_\_ on behalf of \_\_\_\_\_  
(Name) (Title) (Company Name)

\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, MI  
My Commission expires: \_\_\_\_\_

**ACCEPTED BY: CITY OF STERLING HEIGHTS  
A MUNICIPAL CORPORATION**

NAME: Michael C. Taylor                      NAME: Mark Carufel  
TITLE: Mayor                                      TITLE: City Clerk  
SIGNATURE: \_\_\_\_\_                      SIGNATURE: \_\_\_\_\_

STATE OF MICHIGAN  
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_  
by Michael C. Taylor and Mark Carufel, Mayor and City Clerk, respectively, on behalf of  
the City of Sterling Heights, a Michigan municipal corporation.

\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, MI  
My Commission expires: \_\_\_\_\_

When recorded, return to:  
City Clerk  
City of Sterling Heights  
40555 Utica Road PO Box 8009  
Sterling Heights, MI 48311-8009

Drafted by:  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009



***IFEC Application Affidavit of Fees***

APPLICANT NAME: ULTRA MANUFACTURING (USA) INC.

PROPERTY ADDRESS: 7191 17 MILE ROAD  
STERLING HEIGHTS, MI

**CERTIFICATION**

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the City of Sterling Heights and the applicant referenced above do hereby swear and affirm that this applicant has not made, or promised to make payment of any kind to the City of Sterling Heights as a condition to the approval of this Application for an Industrial Facilities Tax Exemption (IFT) Certificate. Whether payments be referred to as "fees," "payments in lieu of taxes," "donations," or by other like terms, such payments are contrary to the legislative intent of Act 198, as amended. We do hereby swear and affirm by our signatures below that "no payment of any kind in excess of the fee allowed, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of this Application for an IFEC."

**IFT APPLICANT**

PRINT NAME: DENNIS HAYES

TITLE: DIRECTOR OF U.S. OPERATIONS

SIGNATURE: [Signature]

DATE: 8/15/16

The forgoing certification was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_

By \_\_\_\_\_, \_\_\_\_\_ on behalf of \_\_\_\_\_  
(Name) (Title) (Company Name)

Notary Public, \_\_\_\_\_ County, MI

**CITY OF STERLING HEIGHTS**

PRINT NAME: Mark Carufel

TITLE: City Clerk

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

The forgoing certification was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_

By \_\_\_\_\_, \_\_\_\_\_ on behalf of \_\_\_\_\_  
(Name) (Title) (Company Name)

Notary Public, \_\_\_\_\_ County, MI

Applicant Name  
**ULTRA MANUFACTURING (USA) INC.**

**Fiscal Statement (to be completed by local unit)**

	<u>YES</u>	<u>NO</u>
Is this project:		
Real Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Personal Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both Real and Personal Property - New Facility?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Both Real and Personal Property - Rehabilitation Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both New and Replacement Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Project Investment (not assessed value):

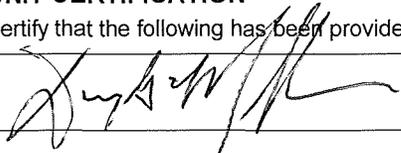
Real Property \$10,000,000.00	Personal Property \$9,000,000.00 not applicable	Total \$19,000,000.00
----------------------------------	--	--------------------------

	<u>YES</u>	<u>NO</u>	<u>REMARKS</u>
1. A. Has the proper local authority reviewed the plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
B. Is the project located in a certified industrial park?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
C. Is this a renovation or expansion of an existing building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
2. Will this project require improvement of your road service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
3. Will this project require improvement of your sanitary sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
4. Will this project require improvement of your storm sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
5. Will this project require improvement of your water services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
6. Will this project require additional police personnel, police equipment or a need for new police building expansion?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
8. Will this project require other costs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____

If you answered yes to any of questions 2 through 8, the appropriate sections of the Supplement to Fiscal Statement form must be completed and accompany the IFT application. Call (517) 373-3272 to obtain that form.

**LOCAL UNIT CERTIFICATION**

This is to certify that the following has been provided as accurately as possible.

Signature 	Name and Title of Local Governmental Unit Official <b>Dwayne McLachlan, City Assessor</b>
--	--



# Office of Assessing

## *IFEC Information Sheet*

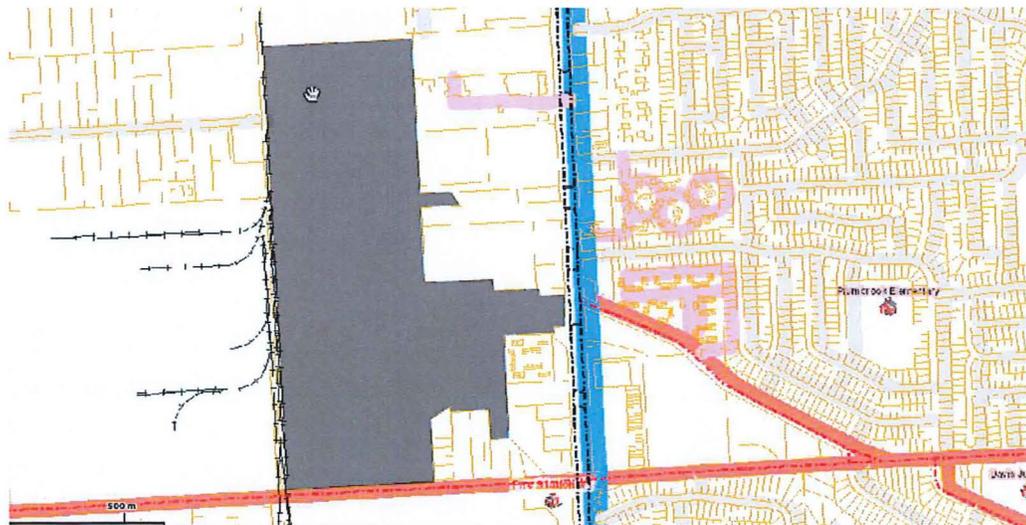
Date: 10/4/16  
Applicant: Ultra Manufacturing  
Address: 7191 Seventeen Mile Road  
Sidwell Number: 50-10-016-401-005-000

### PROPERTY LEGAL DESCRIPTION

T2N, R12E SEC 16 COMM AT SE COR SEC 16; TH N89\*23'00"W 1325.88 FT TO POB; TH N89\*23'00"W 1309.05 FT; TH N00\*06'37"E 2598.68 FT; TH N00\*00'57"E 1317.08 FT; TH S89\*36'02"E 1329.40 FT; TH S00\*29'29"W 1314.36 FT; TH S00\*21'08"W 33.63 FT; TH S89\*24'55"E 241.86 FT; TH S38\*57'44"E 168.59 FT; TH N89\*24'55"W 348.67 FT; TH S00\*21'08"W 660.99 FT; TH S89\*28'16"E 596.50 FT; TH S00\*10'24"W 99.30 FT; TH S89\*11'13"E 411.84 FT; TH S00\*10'00"W 65.0 FT; TH S89\*30'28"E 222.86 FT; TH S00\*40'23"W 327.65 FT; TH N88\*52'45"W 554.92 FT; TH S00\*41'01"W 905.65 FT; TH N89\*23'00"W 167.27 FT; TH N00\*33'33"E 260.00 FT; TH S89\*23'00"W 335.17 FT; TH N00\*21'24"E 42.98 FT; TH S59\*19'00"W 195.74 FT; TH S00\*14'00" W 590.24 FT TO POB. 142.36 AC.

02-21-05: Split/Comb 10-16-476-008 & 10-16-401-004 into 10-16-476-029 & 10-16-401-005

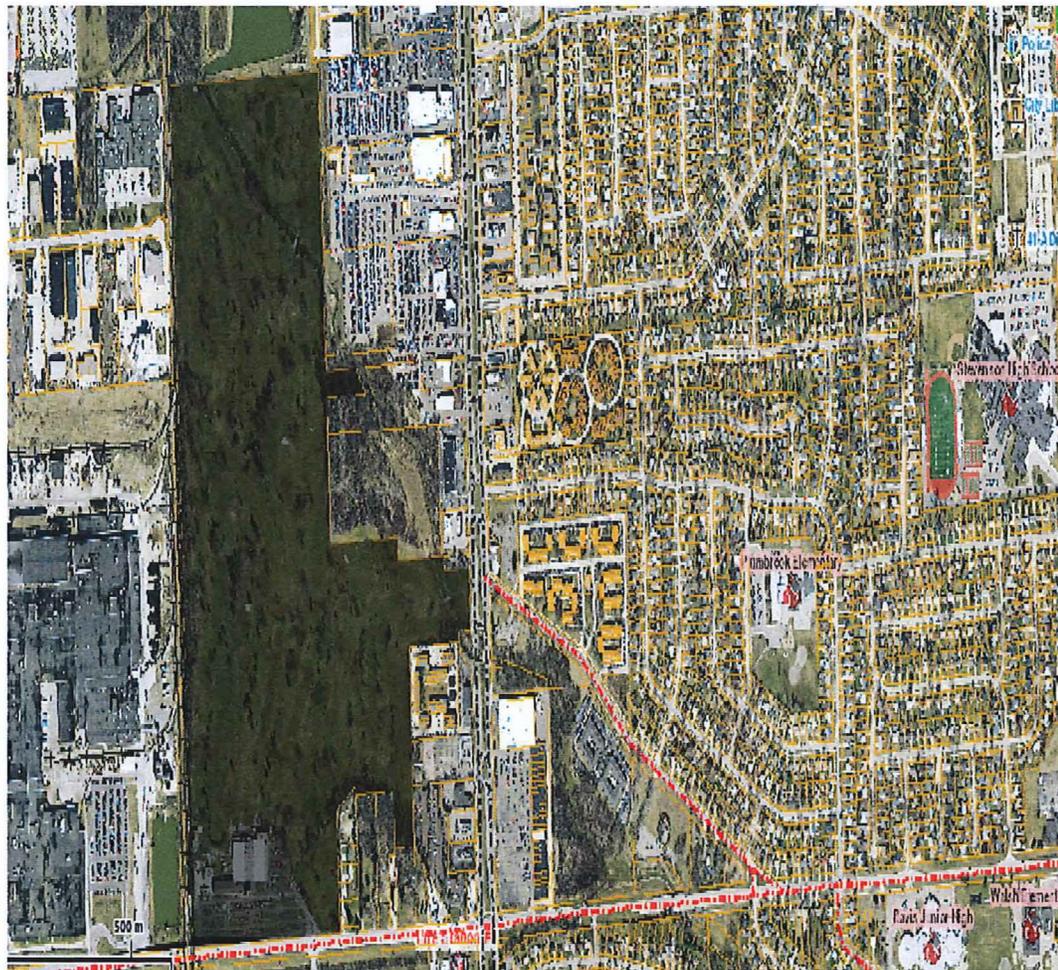
### PROPERTY LOCATION MAP



*IFEC Information Sheet*

Date: 10/4/16  
Applicant: Ultra Manufacturing  
Address: 7191 Seventeen Mile Road  
Sidwell Number: 50-10-016-401-005-000

PROPERTY LOCATION MAP





# Office of Assessing

## *IFEC Building Sheet*

Applicant: Ultra Manufacturing (USA) Inc.  
Address: 7191 Seventeen Mile Road  
Sidwell Number: 50-10-16-401-005-000

### BUILDING SKETCH

BUILDINGS HAVE ALL BEEN REMOVED FROM THE PROPERTY



VAN DYKE ROAD

1" = 300'

POTENTIAL USER  
21.9 AC ±

POTENTIAL USER  
2.3 AC ±

REMAINDER  
PARCEL  
11.8 AC ±

POTENTIAL USER  
30.3 AC ±

POTENTIAL USER  
21.2 AC ±

POTENTIAL USER  
22.6 AC ±

MITCHELL  
PLASTICS  
18.8 AC ±

47 MILE ROAD

PENN CENTRAL R.R.

GAS MAIN

1080' ±

890' ±

528' ±

220' ±

875' ±

1049' ±

1035' ±

1024' ±

1380' ±

800' ±

958' ±

715' ±



DATE: SEPTEMBER 23, 2016

APPLICANT: MITCHELL PLASTICS - ULTRA MANUFACTURING

ADDRESS: 7191 SEVENTEEN MILE RD

PARCEL NUMBER: 10-16-401-005-000

	IFT REAL PROPERTY	IFT PERSONAL PROPERTY	FULL AD VALOREM REAL PROPERTY	FULL AD VALOREM PERSONAL PROPERTY
CITY MILLAGE RATE:	7.5929	0.0000	15.1858	
UTICA SCHOOL MILLAGE RATE:	13.7734	0.0000	27.5468	
UTICA TOT MILLAGE RATE:	26.8688	0.0000	53.7375	

YEAR	REAL PROPERTY T.C.V.	DEP	REAL PROPERTY TAXABLE VALUE	CITY MILLAGE RATE	CITY TAX	SCHOOL MILLAGE	SCHOOL TAX	W.C.S. DIST TOTAL MILLAGE	TOTAL TAX
12	\$ 10,000,000	1.00	\$ 5,000,000	7.5929	\$ 37,965	13.7734	\$ 68,867	26.8687500	\$ 134,344
REAL PROPERTY TAXES ABATED OVER TERM:					\$ 455,550		\$ 826,400		\$ 1,612,150

YEAR	PERSONAL PROPERTY T.C.V.	DEP	PERSONAL PROPERTY TAXABLE VALUE	CITY MILLAGE RATE	CITY TAX	SCHOOL MILLAGE	SCHOOL TAX	W.C.S. DIST TOTAL MILLAGE	TOTAL TAX
1	\$ -	0.89	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
2	\$ -	0.76	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
3	\$ -	0.67	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
4	\$ -	0.60	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
5	\$ -	0.54	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
6	\$ -	0.49	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
7	\$ -	0.45	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
8		0.42	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
9		0.38	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
10		0.36	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
11		0.33	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
12		0.31	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
PERSONAL PROPERTY TAXES ABATED OVER TERM:					\$ -		\$ -		\$ -

TOTAL TAXES ABATED OVER TERM:

TOTAL TAXES ABATED PER YEAR:

\$ 455,550	\$ 826,400	\$ 1,612,150
\$ 37,963	\$ 68,867	\$ 134,346



AGENDA STATEMENT

OMB AS03 Rev. 11/04

**Item Title:** To consider the application by Ring Screw, LLC for an Industrial Facilities Tax Exemption Certificate at 6125 18 Mile Road (Presentation - Luke Bonner, Senior Economic Development Advisor).

**Submitted By:** Office of Assessing

**Contact Person/Telephone:** Dwayne McLachlan, City Assessor / Luke Bonner, Senior Economic Development Advisor; 586/446-2341

Administration (initial as applicable)

Attachments

<i>MC</i> City Clerk	<u>  x  </u> Resolution	<u>  </u> Minutes
<i>BB</i> Finance & Budget Director	<u>  </u> Ordinance	<u>  x  </u> Plan/Map
<i>AK</i> City Attorney (as to legal form)	<u>  x  </u> Contract	<u>  x  </u> Other
<i>AV</i> City Manager		

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Ring Screw, LLC, a Delaware limited liability company d/b/a Accument Global Technologies, Inc., (Applicant) is among the world's leading providers of mechanical fastening products and services for the transportation market, including engineered fastening systems, inventory management services, and application engineering support. Applicant operates a manufacturing facility at 6125 18 Mile Road.

Applicant is seeking a fifty percent tax abatement for a proposed real property investment of \$3,068,053 in connection with the construction of a 4,700 square foot building addition to its Sterling Heights facility that will enhance its competitive advantage by increasing production capacity. The real property investment is expected to generate five new jobs within the City. The real property investment is occurring within an Industrial Development District established by the City Council on October 4, 1994.

This proposed real property investment will generate an estimated increase of \$11,648 in new City tax revenue over the recommended eight-year tax abatement term. Applicant's creation of five new jobs in the City will also generate an overall positive economic impact for the regional economy of \$800,000, annually (Multiplier Factor of 4 x Wages of \$40,000/job created x 5 jobs).

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

RESOLVED, to adopt the resolution approving the application by Ring Screw, LLC for an Industrial Facilities Tax Exemption Certificate at 6125 18 Mile Road for a period of 8 years in accordance with the guidelines established by City Council and the Mayor and City Clerk are hereby authorized to sign, as applicable, all documents required in conjunction with this approval.

## Staff Report

**Subject:** Industrial Facilities Tax Exemption Certificate Application  
**Date:** October 4, 2016  
**Applicant:** Ring Screw LLC  
**Address:** 6125 East 18 Mile Road  
**Sidwell Numbers:** 10-16-401-005-000  
**Submitted By:** Dwayne McLachlan, City Assessor and Luke Bonner, Senior Economic Development Advisor  
**Direct Dial:** (586) 446-2341  
**Email Address:** [dmclachlan@sterling-heights.net](mailto:dmclachlan@sterling-heights.net)

**GENERAL INFORMATION**

Public Act 198 was enacted in 1974 to provide property tax incentives designed to stimulate local economic growth. These incentives involve placing real property assets on an industrial facilities assessment roll with a specific tax rate that is approximately half of the tax rate associated with an ad valorem (regular) assessment roll. An application for an Industrial Facilities Tax Exemption Certificate (IFEC) requires that a written agreement is executed for performance issues and that no payment in excess of the approved fee is allowed in exchange for favorable consideration of the IFEC application.

**APPLICANT INFORMATION**

Ring Screw LLC, d/b/a Accument Global Technologies, Inc. (Applicant) is an innovative manufacturer of value-added screws, bolts, nuts and cold formed components. Applicant's brands are among the best known and most trusted in the aerospace, automotive, and defense industries. With more than 2,600 employees at facilities in North America, South America and Europe, Applicant supplies fastening products, systems and services to customers around the world.

**PROJECT INFORMATION**

Applicant's headquarters are located in Sterling Heights. Applicant is undertaking a real property investment to expand its production facility located at 6125 18 Mile Road to add another automated heat treat line to enhance its global capabilities in anticipation of an increase in business and cost savings. It has reviewed and compared the costs of adding the line at several different existing plant locations.

Applicant's preference is to add the new automated line to its Sterling Heights location to enhance its headquarters as a customer showplace as well as to improve its competitive advantage. The Sterling Heights facility currently has one heat treat line, which is highly automated and requires a single employee to load and unload the line. The 4,700 square foot expansion of the Sterling Heights facility allows Applicant to add another line of large, automated heat treat equipment which will take up almost all of the additional space. The new line would be located right next to the existing line. Applicant has other facilities with production floor space to add the new heat treat line.

**STAFF RECOMMENDATION**

Applicant is choosing to further invest in its Sterling Heights production facility to increase its efficiency and productivity. This investment will also result in the creation of five new jobs within the City.

Listed below is a summary of Applicant's total real property investment directly relating to this proposed project. Based on these factors, and the fact that this Applicant is currently in compliance with all local codes and ordinances, the City's established Industrial Facilities Tax Abatement Program Guidelines dictate that Applicant qualifies for a *recommended* 50% tax abatement term of eight years.

IDD Establishment Date: 10/04/1994

Total Real Property Investment: \$3,068,053 = 7 years

Full Time Jobs Created as a Result of Project: 5 = 1 year

IFEC Term per City Guidelines: 8 years

Recommended IFEC Term: 8 years

Full Time Jobs Created in Southeast Michigan:	5
Employment Multiplier for Manufacturing Jobs:	4
Related New Jobs Created in Southeast Michigan:	20
Average Wage of Jobs Created in Southeast Michigan:	\$40,000
Positive Area Impact of Jobs Created:	\$800,000

<u>PROPERTY TAXES ABATED (100%)</u> <u>&amp; ADDITIONAL REVENUE GENERATED</u>	<u>City Tax</u>	<u>School Tax</u>	<u>Total Tax</u>
Property Taxes Abated over 12-Year Term:	\$11,648	\$21,129	\$41,217

## RESOLUTION

A resolution of the Sterling Heights City Council approving the application by Ring Screw, LLC for an Industrial Facilities Exemption Certificate for a New Facility.

Minutes of the regular meeting of the City Council of Sterling Heights, Michigan, held on the 4<sup>th</sup> day of October, 2016, at the City Hall, 40555 Utica Road, in Sterling Heights, Michigan, at 7:30 p.m.:

PRESENT:

ABSENT:

The following preamble and resolution were offered by: \_\_\_\_\_  
and supported by: \_\_\_\_\_.

WHEREAS, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on October 4, 1994, the City Council established by resolution an Industrial Development District (IDD); and,

WHEREAS, Ring Screw, LLC (Applicant) has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be installed within the IDD; and,

WHEREAS, before acting on said application, the City Council of Sterling Heights held a public hearing on October 4<sup>th</sup>, 2016, at 40555 Utica Road, in Sterling Heights, MI at 7:30 pm, at which hearing Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and,

WHEREAS, construction of the new facility had not begun earlier than six (6) months before August 11, 2016, being the date of acceptance of the application for the Industrial Facilities Exemption Certificate; and,

WHEREAS, completion of the new facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Sterling Heights and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes with the City of Sterling Heights, after granting this certificate, exceeds 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974, shall not have the effect of substantially impeding the operation of the city of Sterling Heights, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the city of Sterling Heights.

2. The application by Ring Screw, LLC for an Industrial Facilities Exemption Certificate is hereby approved with respect to a New Facility on the following described parcel of real property situated within the Industrial Development District, to wit:

LEGAL DESCRIPTION

T2N,R12E,SEC. 9: COMM AT SW COR SEC. 9: TH E 502.0 FT ALG S SEC LINE (C/L 18 MILE RD) TO POB; TH N01\*04'00"E 997.35 FT; TH ALG PLUMBROOK DRAIN S61\*45'03"E 96.03 FT; & S65\*47'08"E 96.19 FT; & S56\*05'22"E 149.49 FT; & S81\*28'32"E 118.55 FT; & S15\*50'25"E 61.88 FT; & S64\*56'17"E 349.76 FT; & S52\*08'14"E 74.62 FT; TH LVG SD DRAIN S01\*10'20"W 36.16 FT; TH WEST 217.42 FT; TH S01\*10'20"W 521.77 FT; TH WEST 595.98 FT ALG S SEC LINE TO POB EXC S 60' FOR ROAD ROW. COMB FROM 1009300012 & 027 FOR 1995

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of 8 years after completion.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Council of Sterling Heights, County of Macomb, Michigan, at a regular meeting held the 4th day of October, 2016.

---

Mark Carufel, City Clerk

RECEIVED AUG 11 2016

# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit
STC Use Only	
Application Number	Date Received by STC

## APPLICANT INFORMATION

All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) <b>Ring Screw, L.L.C.</b>		▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) <b>332</b>	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) <b>6125 E. 18 Mile, Sterling Hts, MI 48314</b>		▶ 1d. City/Township/Village (indicate which) <b>City</b>	▶ 1e. County <b>Macomb</b>
▶ 2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment		▶ 3a. School District where facility is located <b>Utica Community</b>	▶ 3b. School Code <b>50210</b>
		▶ 4. Amount of years requested for exemption (1-12 Years) <b>8</b>	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Acument would like to add a 4,700 sq ft building addition to its Sterling Heights location in order to add a second automated heat treat manufacturing line. The new line will enhance its HQ location and improve its competitive advantage. The building will require extensive utility moves (main electric, plumbing, gas lines, etc.), a temporary road and substantial costs to handle poor soil conditions.

6a. Cost of land and building improvements (excluding cost of land) .....	▶ <u>3,068,053.00</u>
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures .....	▶ _____
* Attach itemized listing with month, day and year of beginning of installation, plus total	Personal Property Costs
6c. Total Project Costs .....	▶ <u>3,068,053.00</u>
* Round Costs to Nearest Dollar	Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>		
Real Property Improvements	▶ <u>9/1/2016</u>	<u>10/31/2017</u>	▶	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	▶ _____	_____	▶	<input type="checkbox"/> Owned <input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.     Yes     No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. <b>248</b>	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. <b>5</b>
---	---

11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) .....	<u>n/a</u>
b. TV of Personal Property (excluding inventory) .....	_____
c. Total TV .....	_____

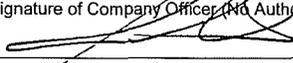
▶ 12a. Check the type of District the facility is located in:  
 Industrial Development District       Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit) <b>10/04/1994</b>	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
---	---

**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name John Clark	13b. Telephone Number 586-997-5642	13c. Fax Number 586-997-5530	13d. E-mail Address JClark@Acument.com
14a. Name of Contact Person John Clark	14b. Telephone Number 586-997-5642	14c. Fax Number 586-997-5530	14d. E-mail Address JClark@Acument.com
▶ 15a. Name of Company Officer (No Authorized Agents) John Clark, E.V.P. General Council, C.A.O.			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number 586-997-5530	15d. Date 8/9/2016
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 6125 E. 18 Mile Rd, Sterling Hts, MI 48314		15f. Telephone Number 586-997-5642	15g. E-mail Address JClark@Acument.com

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

**Michigan Department of Treasury**  
State Tax Commission  
PO Box 30471  
Lansing, MI 48909

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

## TAX ABATEMENT APPLICATION

Ring Screw, L.L.C. dba Acument Global Technologies, Inc.

### NEW REAL PROPERT IMPROVEMENTS

	<u>Amount</u>	<u>Finish Date</u>
Building Addition for heat treat manufacturing area including main utility moves, cooler equipment moves, temporary road, internal electrical panels and wiring, plumbing, masonry, office space, etc.		
- Construction work in 2016	\$ 1,485,000.00	12/31/2016
- Construction work in 2017	1,583,053.00	10/31/2017
<b>TOTAL COST OF REAL PROPERTY IMPROVEMENTS</b>	<b>\$ 3,068,053.00</b>	



# IFEC Application Affidavit of Fees

APPLICANT NAME: Ring Screw, L.L.C.

PROPERTY ADDRESS: 6125 E. 18 Mile Rd, Sterling Hts  
MI 48314

### CERTIFICATION

In accordance with State Tax Commission Bulletin No. 3 dated January 1998, the City of Sterling Heights and the applicant referenced above do hereby swear and affirm that this applicant has not made, or promised to make payment of any kind to the City of Sterling Heights as a condition to the approval of this Application for an Industrial Facilities Tax Exemption (IFT) Certificate. Whether payments be referred to as "fees," "payments in lieu of taxes," "donations," or by other like terms, such payments are contrary to the legislative intent of Act 198, as amended. We do hereby swear and affirm by our signatures below that "no payment of any kind in excess of the fee allowed, as amended by Public Act 323 of 1996, has been made or promised in exchange for favorable consideration of this Application for an IFEC."

### IFT APPLICANT

PRINT NAME: John R Clark  
TITLE: E.V.P General Council C.A.O.  
SIGNATURE: [Signature]  
DATE: 8/9/2016

The forgoing certification was acknowledged this 9 day of August 2016  
By John R. Clark, EVP, General Counsel + CAO on behalf of Ring Screw, LLC.  
(Name) (Title) (Company Name)

Mary J. Cochran  
Notary Public, MACOMB County, MI

### CITY OF STERLING HEIGHTS

PRINT NAME: Mark Carufel  
TITLE: City Clerk  
SIGNATURE: \_\_\_\_\_  
DATE: \_\_\_\_\_

The forgoing certification was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_  
By \_\_\_\_\_, \_\_\_\_\_ on behalf of \_\_\_\_\_  
(Name) (Title) (Company Name)

\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, MI

## ***IFEC LETTER OF AGREEMENT***

**DATE:** 8/9/2016  
**COMPANY NAME:** Ring Screw, L.L.C.  
**FACILITY ADDRESS:** 6125 E. 18 mile Rd  
City Council  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009

**RE: Industrial Facilities Tax Exemption Certificate between:**  
Ring Screw, L.L.C. and the City of Sterling Heights

Dear Members of Council:

Ring Screw, L.L.C. (the "Company") has submitted the attached Application (the "Application") to you requesting approval of an Industrial Facilities Tax Exemption Certificate ("IFEC"), pursuant to Michigan Public Act 198 of 1974, as amended, for the property located at 6125 E. 18 mile Rd, Sterling Heights, (the "Facility") (Legal Description of the property where the Facility is located is attached).

To encourage approval of the IFEC and in recognition of the investments the City of Sterling Heights (the "City") will make toward the economic growth of the Company, which will benefit the City, the Company agrees as follows:

1. **General.** (Check applicable lines consistent with the Application)
- a. The Company will make the improvements set forth in the Application within two (2) years of the effective date of the IFEC (the "Effective Date").
  - b. The Company will purchase and/or lease and install the personal property as set forth in the Application within two (2) years of the Effective Date.
  - c. The Company will create 1 new full-time jobs at the Facility within two (2) years of the Effective Date.
  - d. The Company will comply with the requirements imposed by the City as part of the site review prior to issuance of a Certificate of Occupancy.

2. **Compliance with Laws.** The Company agrees that it will operate the Facility in accordance with all applicable Federal, State, and local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, and other environmental regulations.
3. **Continued Operation of the Facility.** The Company further agrees to continue to operate the Facility within the City for the period of the IFEC in order to retain the benefits of the IFEC.
4. **Premature Vacation of the Facility.** If the Company vacates, or intends to vacate, the Facility prior to the end of the term of the IFEC, the Company shall be responsible for the following:
  - a. If the Company intends to vacate the Facility for which the IFEC has been approved and issued prior to the end of the term of this agreement, the Company agrees to notify the City Assessor in writing of such intent and the reasons for vacating not less than 60 days prior to vacating the facility.
  - b. The Company agrees to make reasonable provisions satisfactory to the City and in compliance with all applicable laws, codes and ordinances to maximize the likelihood of re-occupancy or re-use of the unoccupied building for productive use within a reasonable time period after the Facility is vacated.
  - c. The Company shall, if requested by the City, deposit an amount equal to the amounts anticipated to be due from the Company under this agreement as a result of the Company vacating the Facility prior to the term for which the IFEC was approved, including but not limited to any reasonable cleanup or maintenance costs, administrative fees, court costs, and attorney fees incurred.
  - d. The Company shall pay any outstanding taxes and shall repay to all affected municipalities an amount equal to the total tax amount abated by the IFEC (unless recovery of a lesser amount is requested by the City or other taxing authority) within 30 days of the date of an invoice for such taxes.
  - e. If the Company fails to pay the amount of the invoice for abated taxes within 30 days of the date of the City invoice, the Company shall be responsible for any additional costs incurred by the City in recovery of such taxes, including, but not limited to administrative fees, court costs, and attorney fees incurred.
5. **Notice of Completion and Final Cost Report.** The Company will submit to the City, not later than 90 days after the completion date for each property component for which an IFEC was granted a Notice of Completion and Final Cost Report in a form requested by the City which includes the actual completion date and final cost of each project component for which an IFEC was originally granted, and an explanation if the final cost of either the real or personal property listed on the Application was greater than the original estimated amount by more than 10%.
6. **Employment Status Report.** The Company will submit to the City, not later than January 31<sup>st</sup> of the second year after the effective date, and every two years after that date, an Employment Status Report in a form requested by the City, which includes the number of actual full-time jobs created as a direct result of the project for which the certificate was granted, and an explanation if the jobs created during the term of the IFEC was less than the original estimated amount.

7. **Review and Audit: Payment of Costs.** The Company understands that the City may review and audit the information provided by the Company to determine compliance with this agreement and that any costs for such services will be paid by the Company in accordance with a fee schedule approved by the City Council, which may be adjusted from time to time based upon increases in costs to the City.
8. **Remedies for Default for Failure to Satisfy Representations Made in Application.** The Company understands that the City may pass a resolution requesting that the State Tax Commission reduce the term of the IFEC or revoke the IFEC to the extent that the construction or expansion of the Facility has not been completed, expenditures made, or employment reached as represented by the Company in the application, by sending a copy of this Agreement along with a copy of the City Council resolution authorizing such action to the State Tax Commission. In addition, the Company acknowledges that the City may take into account any deficiency in job creation, or real or personal property investment made under this application in a subsequent application for an IFEC or an Exemption of New Personal Property filed by the Company.
9. **Consequences of Unsuccessful Real or Personal Property Tax Appeal.** The Company acknowledges that if during the term of this Agreement, the Company appeals any real or personal property assessment to the Michigan Tax Tribunal or other court of competent jurisdiction upon which it does not prevail, that the Company shall pay to the City all reasonable costs, expenses, and attorney fees incurred by the City in defending such appeals within thirty (30) days of the date of receipt of an invoice from the City. The Company also acknowledges that the City may consider such appeals in deciding the term of any subsequent certificates granted to the Company.
10. **Unforeseen Events.** By execution of this agreement, it is understood that the Company's investment in the Facility and the City's investment in the granting of the IFEC are to encourage economic growth within the City. The City acknowledges that in some instances, economic conditions may prevent the Company from complying fully with this agreement and the terms of the Application. The City will give the Company an opportunity to explain the reasons for any variations from the representations contained in the application and will evaluate the Company's situation prior to taking any action authorized by paragraph 4 and 8 of this agreement.
11. **Entire Agreement.** This is the entire agreement of the parties relating to the matters covered by this Agreement, and no prior or subsequent promises, representations or assurances, whether in any other form, shall be used to modify, vary or contradict any provision of this Agreement, except for any written amendment to this Agreement or separate agreement signed following the date of this Agreement by authorized representatives of all parties to this Agreement.
12. **Severability.** The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions thereof, which shall remain in full force and effect to govern the parties' relationship.
13. **Reimbursement of Attorney Fees for Modification of Standard Agreement.** The Company agrees to reimburse the City within 30 days of the date of a receipt of an invoice from the City for all attorney fees incurred by the City in the negotiation or preparation of changes to the standard IFEC Letter of Agreement.

**ACCEPTED BY: THE COMPANY**

NAME: John R. Clark  
TITLE: EVP, General Counsel + CAO  
SIGNATURE: [Signature]

STATE OF MICHIGAN  
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this 9 day of August 2016  
by John R. Clark, General Counsel + CAO on behalf of Ring Screw, L.L.C.  
(Name) (Title) (Company Name)

Mary J. Cochran  
Notary Public, MACOMB County, MI  
My Commission expires: 04/03/2020

**ACCEPTED BY: CITY OF STERLING HEIGHTS  
A MUNICIPAL CORPORATION**

NAME: Michael C. Taylor                      NAME: Mark Carufel  
TITLE: Mayor                                      TITLE: City Clerk  
SIGNATURE: \_\_\_\_\_                      SIGNATURE: \_\_\_\_\_

STATE OF MICHIGAN  
COUNTY OF MACOMB

The forgoing acceptance was acknowledged this \_\_\_\_\_ day of \_\_\_\_\_  
by Michael C. Taylor and Mark Carufel, Mayor and City Clerk, respectively, on behalf of  
the City of Sterling Heights, a Michigan municipal corporation.

\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, MI  
My Commission expires: \_\_\_\_\_

When recorded, return to:  
City Clerk  
City of Sterling Heights  
40555 Utica Road PO Box 8009  
Sterling Heights, MI 48311-8009

Drafted by:  
City of Sterling Heights  
40555 Utica Road  
P.O. Box 8009  
Sterling Heights, MI 48311-8009

**Fiscal Statement (to be completed by local unit)**

Is this project:

Real Property?  YES  NO

Personal Property?  YES  NO

Both Real and Personal Property - New Facility?  YES  NO

Both Real and Personal Property - Rehabilitation Facility?  YES  NO

Both New and Replacement Facility?  YES  NO

Estimated Project Investment (not assessed value):

Real Property \$3,068,053.00	Personal Property	Total \$3,068,053.00
---------------------------------	-------------------	-------------------------

	YES	NO	REMARKS
1. A. Has the proper local authority reviewed the plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
B. Is the project located in a certified industrial park?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
C. Is this a renovation or expansion of an existing building?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2. Will this project require improvement of your road service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
3. Will this project require improvement of your sanitary sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4. Will this project require improvement of your storm sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5. Will this project require improvement of your water services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6. Will this project require additional police personnel, police equipment or a need for new police building expansion?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8. Will this project require other costs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

If you answered yes to any of questions 2 through 8, the appropriate sections of the Supplement to Fiscal Statement form must be completed and accompany the IFT application. Call (517) 373-3272 to obtain that form.

**LOCAL UNIT CERTIFICATION**

This is to certify that the following has been provided as accurately as possible.

Signature 	Name and Title of Local Governmental Unit Official Dwayne McLachlan, City Assessor
---	---



# Office of Assessing

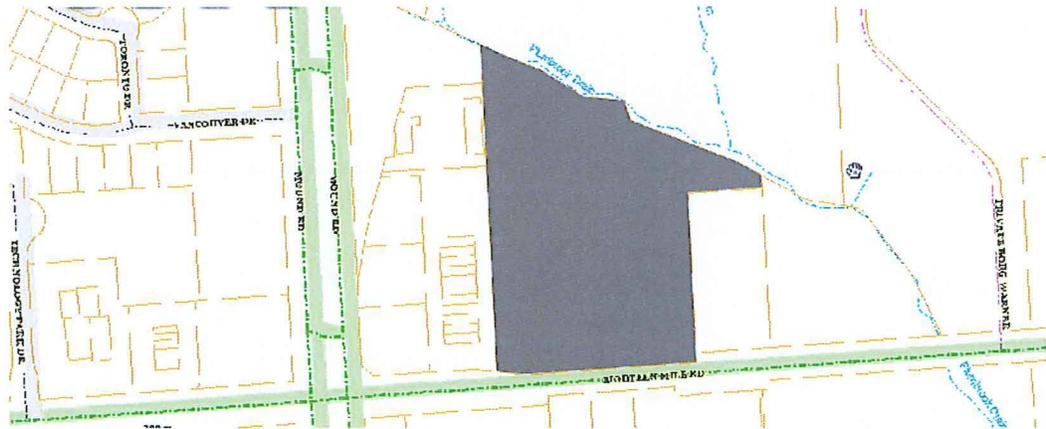
## *IFEC Information Sheet*

Date: 10/4/16  
Applicant: Ring Screw, LLC/Acument  
Address: 6125 Eighteen Mile Road  
Sidwell Number: 50-10-09-300-038-000

### PROPERTY LEGAL DESCRIPTION

T2N,R12E,SEC. 9: COMM AT SW COR SEC. 9: TH E 502.0 FT ALG S SEC LINE (C/L 18 MILE RD) TO POB; TH N01°04'00"E 997.35 FT; TH ALG PLUMBROOK DRAIN S61°45'03"E 96.03 FT; & S65°47'08"E 96.19 FT; & S56°05'22"E 149.49 FT; & S81°28'32"E 118.55 FT; & S15°50'25"E 61.88 FT; & S64°56'17"E 349.76 FT; & S52°08'14"E 74.62 FT; TH LVG SD DRAIN S01°10'20"W 36.16 FT; TH WEST 217.42 FT; TH S01°10'20"W 521.77 FT; TH WEST 595.98 FT ALG S SEC LINE TO POB EXC S 60' FOR ROAD ROW. COMB FROM 1009300012 & 027 FOR 1995

### PROPERTY LOCATION MAP





# Office of Assessing

## *IFEC Information Sheet*

Date: 10/4/16  
Applicant: Ring Screw, LLC/Acument  
Address: 6125 Eighteen Mile Road  
Sidwell Number: 50-10-09-300-038-000

### PROPERTY LOCATION MAP



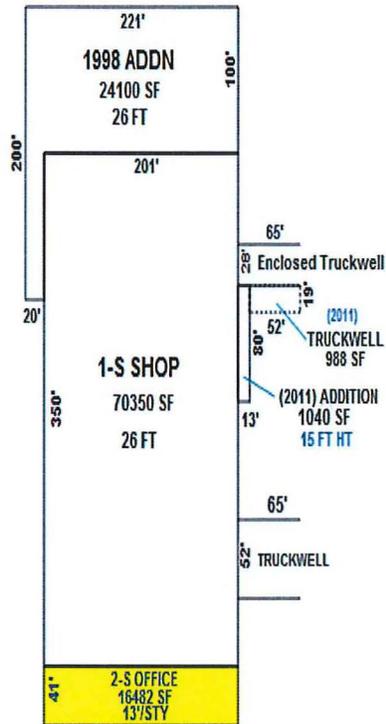


# Office of Assessing

## *IFEC Building Sheet*

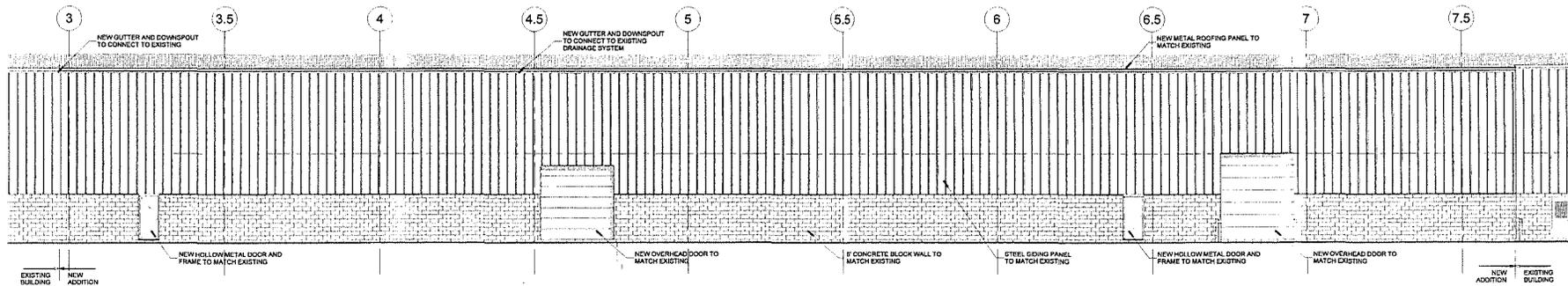
Applicant: Ring Screw, LLC/Acument  
Address: 6125 Eighteen Mile Road  
Sidwell Number: 50-10-09-300-038-000

### BUILDING SKETCH

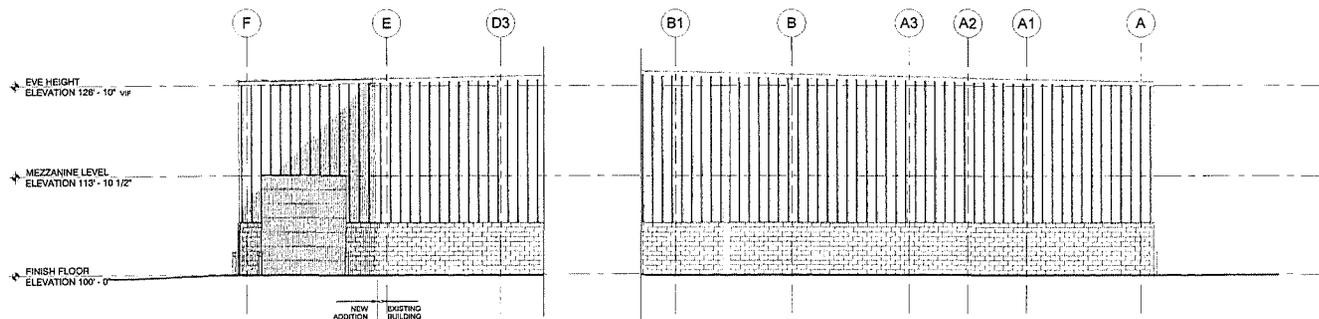








WEST ELEVATION  
1/8" = 1'-0"



SOUTH ELEVATION  
1/8" = 1'-0"

**ASSELIN | MCCLANE**  
ARCHITECTURAL GROUP  
1000 W. WISCONSIN ST. SUITE 100  
ANN ARBOR, MI 48106-1500  
PH: 734.769.1100

**Rhoads & Johnson**  
ARCHITECTS  
101 E. AGY DRIVE, SUITE 100  
ANN ARBOR, MI 48106  
PH: 734.769.1100

PROPOSED ADDITION TO:  
**ACUMENT GLOBAL TECHNOLOGIES**  
CONSTRUCTION 6125 18 Mile Rd, Sterling Heights, MI 48314

No.	Description
1	REVISION
2	REVISION
3	REVISION

EXTERIOR ELEVATIONS  
Project number: 16030  
Date: 7/6/2016 11:18:12 PM  
Scale: 1/8" = 1'-0"

RECEIVED  
JUL 22 2016  
STERLING HEIGHTS BUILDING SERVICES





DATE: SEPTEMBER 23, 2016

APPLICANT: RING SCREW, LLC

ADDRESS: 6125 E EIGHTEEN MILE

PARCEL NUMBER:

	IFT REAL PROPERTY	IFT PERSONAL PROPERTY	FULL AD VALOREM REAL PROPERTY	FULL AD VALOREM PERSONAL PROPERTY
CITY MILLAGE RATE:	7.5929	0.0000	15.1858	
UTICA SCHOOL MILLAGE RATE:	13.7734	0.0000	27.5468	
UTICA TOT MILLAGE RATE:	26.8688	0.0000	53.7375	

YEAR	REAL PROPERTY T.C.V.	DEP	REAL PROPERTY TAXABLE VALUE	CITY MILLAGE RATE	CITY TAX	SCHOOL MILLAGE	SCHOOL TAX	W.C.S. DIST TOTAL MILLAGE	TOTAL TAX
8	\$ 3,068,053	1.00	\$ 1,534,027	7.5929	\$ 11,648	13.7734	\$ 21,129	26.8687500	\$ 41,217
REAL PROPERTY TAXES ABATED OVER TERM:					\$ 93,200		\$ 169,050		\$ 329,750

YEAR	PERSONAL PROPERTY T.C.V.	DEP	PERSONAL PROPERTY TAXABLE VALUE	CITY MILLAGE RATE	CITY TAX	SCHOOL MILLAGE	SCHOOL TAX	W.C.S. DIST TOTAL MILLAGE	TOTAL TAX
1	\$ -	0.89	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
2	\$ -	0.76	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
3	\$ -	0.67	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
4	\$ -	0.60	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
5	\$ -	0.54	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
6	\$ -	0.49	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
7	\$ -	0.45	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
8		0.42	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
9		0.38	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
10		0.36	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
11		0.33	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
12		0.31	\$ -	0.0075929	\$ -	0.0000000	\$ -	-	\$ -
PERSONAL PROPERTY TAXES ABATED OVER TERM:					\$ -		\$ -		\$ -

TOTAL TAXES ABATED OVER TERM:

\$ 93,200	\$ 169,050	\$ 329,750
-----------	------------	------------

TOTAL TAXES ABATED PER YEAR:

\$ 11,650	\$ 21,131	\$ 41,219
-----------	-----------	-----------



**AGENDA STATEMENT**

OMB A503 Rev. 11/04

Item Title: To consider adoption of an ordinance amending Zoning Ordinance No. 278 to upgrade the landscaping and site improvement standards for nonresidential properties and developments within the City (Presentation - Chris McLeod, City Planner).

Submitted By: Office of Planning

Contact Person/Telephone: Chris McLeod, City Planner/446-2384 *CPM*

Administration (initial as applicable)

Attachments

<i>MC</i> City Clerk	___	Resolution	___	Minutes
<i>FB</i> Finance & Budget Director	<u>x</u>	Ordinance	___	Plan/Map
<i>MB</i> City Attorney (as to legal form)	___	Contract	<u>X</u>	Other
<i>MV</i> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Introduction:

At the September 20, 2016 regular meeting, the City Council resolved to introduce the ordinance amending Articles 23, 24, 27, 28 and 31 of Zoning Ordinance No. 278 to upgrade the landscaping and site improvement standards for nonresidential properties and developments within the City. During the City Council's deliberations, several concerns/questions arose in regards to the applicability, cost, and implementation of the proposed ordinance.

In order to respond to the City Council's concerns/questions, City Administration has prepared an extensive report which is attached. In addition, the City Planner's presentation will focus upon the specific concern raised as to the impact that the new landscaping and site improvement standards will have on new and existing developments.

Background:

The Office of Planning has been working with City Administration and the City Attorney's office over the past several months to prepare revised landscaping and site improvement standards for nonresidential properties throughout the City. The ordinance amendments are a priority in that the City is constantly striving to improve the condition of properties under development through additional landscaping, site improvements, and amenities. As part of this initiative, the City is interested in increasing its "green footprint" (the total area of overall greenspace, landscaping and amenities) within all developments in the City. These amendments promote all of the guiding principles set forth in City's overall 2030 Visioning Plan:

- Focal points that are both public and private to serve as destinations for residents and visitors
- Well maintained and aesthetically pleasing roads and green spaces
- Successful, vibrant and attractive commercial centers with unique offerings
- Destination for high-tech and emerging industries and entrepreneurs

The City has a solid reputation for supporting the business community through a low tax rate, comparatively low water and sewer rates and where applicable providing tax incentives to foster the continued growth of businesses. This pro-business philosophy is continued in the proposed ordinance. The increased aesthetic standards outlined in this ordinance are partially offset from a cost basis by decreased requirements for parking. Property owners are able to designate future parking areas and construct those areas as needed. This will result in significant cost savings while enhancing the look of commercial property.

### Proposed Ordinance:

The proposed ordinance includes the following components which together will improve the landscaping and aesthetics of nonresidential properties within the City while decreasing the cost to develop future sites or redevelop existing sites through relaxed parking standards:

#### Frontage Landscaping (Section 24.03, Paragraph B)

- This revised section augments the existing front yard landscaping requirements. The current requirements are only that:
- Street landscaping must be installed equal to the depth of the required front yard setback; and, One tree must be installed for every 30 feet of linear frontage.
- The new requirements are more substantial and more specific:
- In the frontage greenbelt area, one frontage tree will now be required for each 750 square feet of frontage greenbelt. The trees will have to be at least 3" in caliper at the time of planting and will be limited to certain species which are more apt to thrive in areas that are near a roadway.
- In addition, one shrub would be required for each 300 square feet of frontage greenbelt. The shrubs must be a minimum 2 gallon size at planting and must be from the City's list of designated species.
- The frontage greenbelt is also required to include some perennial flowers and grasses (from a list of species) which will enhance the aesthetics of the frontage greenbelt.
- If there are any parking spaces located within 50' of a public street or right of way, or within 50' of a private street, the perimeter landscaping must include a hedge of upright evergreens or deciduous shrubs at a rate of 1 shrub for every 30" of parking or maneuvering lane along the frontage. They can be planted as a formal hedge, or grouped in natural groupings.
- The frontage landscaping should include a variety of species of trees and shrubs, with one particular species of tree or shrub not accounting for more than 50% of the total.
- Frontage landscaping on Van Dyke between 14 Mile Road and 18 Mile Road must incorporate a variety of shade trees, ornamental trees, shrubs, perennials, and grasses from the approved list of landscape materials and plant types included in the 2016 LDFA/Smart Zone Enhancement Report that was utilized for the new landscaping along Van Dyke in that area. Samples are depicted in the draft ordinance.

### Foundation Plantings (Section 24.08)

This new section introduces a requirement that landscaping be installed in areas around the building (particularly the sides that are visible from the street and other public areas), not just in the front yard setback area.

- Current landscaping requirements do not require foundation plantings for commercial buildings or industrial buildings (defined as decorative landscaping planted adjacent to exterior building walls visible from a public thoroughfare, a parking lot, or an outdoor dining area or outdoor plaza area). Under this draft, foundation plantings must be installed along 50% of the linear frontage of an office or commercial building or along the parts of the building dedicated to office and administrative use on industrial sites.
- The foundation plantings must be at least 3' deep within 12' of the exterior building wall, and may include in-ground landscaping, raised beds, decorative planters or a combination of them. Additional landscaping is required adjacent to outdoor dining areas and outdoor plazas. A graphic of foundation plantings is included in the draft ordinance.

### Off-Street Parking Lot Landscaping (Section 24.03, Paragraph A)

This revised section imposes greater and more specific landscaping requirements for parking lots. It requires curbed landscaped islands in the parking lots that must be landscaped with hardy species of trees at a rate of one for each 150 square feet and shrubs or flowering plants covering 50% of the island area. The interior parking lot tree requirement has been enhanced as well.

- The ordinance upgrades current parking lot landscaping requirements by requiring curbed landscaped islands of a minimum of 150 square feet in area at the end of each row. A graphic of a curbed landscaped island is provided.
- Interior parking lot trees shall be installed at a rate of 1 tree for each 5 parking spaces (instead of the current 1:6 ratio). The types of trees to be installed are specified to ensure that trees most apt to survive in parking lot use are utilized. Clear vision for vehicles, bicyclists, and pedestrians near the parking lot landscaping must be maintained.
- The curbed landscaped islands must be planted with shrubs or other flowering plants covering at least 50% of the area of the island.

### Reserved Future Parking Areas (Section 23.01, Paragraph N)

This new section introduces the concept of allowing a developer or property owner to reserve an area for future parking to be installed if needed rather than requiring installation of larger, possibly unneeded asphalt parking areas which are environmentally unfriendly, while reserving the City's right to require their installation in the future if and when needed.

- In order to minimize the amount of unnecessary asphalt paving in shopping areas while planning for the possibility of the need to install additional parking in the future if the uses change, the concept of reserved parking areas is being introduced.
- Where the developer or owner shows that the specific proposed use requires a fewer number of parking spaces than typically required by the Zoning Ordinance based on a smaller total usable floor area, a substantially smaller total number of employees than typically anticipated for such uses, the existence of a combination of uses which share parking facilities, or the proposed use has peak hours of operation which vary from typical business hours, making the required parking excessive.

- With City approval, a developer or owner may request that a certain number of parking spaces be reserved for possible future installation.
- The reserved parking spaces must be shown on the site plan and clearly identified as "Reserved Future Parking Area" with a notation that "No buildings, structures, or improvements shall be constructed in the Reserved Future Parking Area."
- If deemed necessary by the City due to traffic patterns, a change in use or an increase in intensity of the use on the property, a decrease in approved storage area, etc., or any other factor that warrants the installation of some or all of the reserved parking spaces, the additional requested parking spaces must be installed within 6 months of the City's request.
- A recordable agreement satisfactory to the City Planner and City Attorney must be executed and recorded to put future owners on notice of their obligation to install future parking in the Reserved Future Parking Area if required by the City.

#### Trash Receptacles (Section 24.05)

This revised section spells out in more detail the City's requirements relating to the location and screening of trash receptacles. Permissible materials for doors and gates are spelled out and wooden privacy fencing will no longer be permitted.

- The screening of trash receptacles and dumpsters is being enhanced by this proposed amendment.
- Wooden privacy fencing will now be prohibited, in addition to the currently prohibited chain link fencing with view-obscuring slats.
- The door or gate to the enclosure must be constructed of steel materials with a decorative wood or other durable face material.
- Trash compactors must be screened with a decorative wall matching the height of the compactor and the architecture of the building.

#### Decorative Fences (Section 24.07)

This new section would establish standards for decorative fencing on nonresidential properties.

- Additional regulations have been added to require that fencing on nonresidential properties and uses abutting public streets be decorative where the fencing is visible from the street. A graphic illustration of decorative fencing is included.
- Chain link fencing is prohibited unless approved by the Planning Department or Planning Commission where the fencing is not visible to the public. Slats and other inserted materials will be prohibited.
- The Planning Department or Planning Commission may require additional landscaping for fencing in the non-required front yard.
- Fencing is generally prohibited in the required front yard setback area.

#### Screening of Transformers and Other Ground-mounted Appliances (Section 24.09)

This new section imposes screening requirements for transformers and other ground-mounted appliances, like air conditioners and generators.

All ground-mounted transformers, generators, air conditioning units, or other similar appliances or equipment must be screened by architectural features or landscaping sufficient to hide such appliances or equipment on a year-round basis.

#### Pedestrian Connections (Section 24.10)

This new section requires pedestrian connections between public sidewalks and the entrance to a commercial or industrial building to improve pedestrian accessibility and safety.

- Pedestrian connections of at least 5' in width must be provided between sidewalks adjacent to the frontage roadway and the entrance to the building, using parking islands and landscape areas to provide maximum protection to pedestrians.
- Pedestrian connections shall be integrated with the overall landscaping plan to separate pedestrians from vehicles. A graphic illustration is provided in the draft.

#### Bicycle Racks (Section 24.11)

This new section requires the installation of a bicycle rack near the entrance to a commercial or shopping center building if the building is 5,000 square feet or larger.

- A bicycle rack with at least 3 bicycle parking spaces must be installed in a conspicuous location within 50' of the entrance of every commercial building or shopping center building containing at least 5,000 square feet.

#### Enhanced Landscaping Treatments (Section 24.12)

This new section requires additional landscaping enhancements to improve the aesthetics and appeal of a site.

- In order to encourage site development in a manner likely to attract interest to residents and businesses outside of the City, developers will be required to provide at least 2 outdoor enhanced landscaping treatments.
- The enhanced landscaping treatment can be in the form of an outdoor dining area, a pedestrian pass through, or an outdoor plaza.
- The Planning Department may approve other alternatives that accomplish the same objectives.

#### Tents Approved as Part of a Temporary Use (Section 28.14, Paragraph I)

This new paragraph is added to have a uniform color (white) for any tent which is used in conjunction with an approved temporary use.

- Only white tents will be permitted in conjunction with an approved temporary use. This limitation will not apply to residential situations (graduation parties, showers, family parties, and other non-commercial activities).

#### Irrigation Systems (Section 24.02, Paragraph A 3)

This revised section expands irrigation requirements to landscaped areas other than only front yard setback areas; certain right-of-way areas in nonresidential developments; and multiple family and one family cluster (attached) developments.

- All landscaping must have an irrigation system installed and maintained to ensure maintenance of all landscaping in a healthy, thriving condition.
- The Planning Department may modify or waive these irrigation system requirements for natural vegetation areas of the site, where an alternative method of irrigation is provided, or where installation of an irrigation system is impractical or unfeasible due to the unavailability of a proximate water supply or other existing site conditions.

#### Application of New Ordinance Regarding Upgrading of Landscaping and Site Improvements on Existing Developed Sites (Section 29.05)

This new section is designed to apply to existing landscaping and site improvements (parking areas, walls, fences, etc.) on nonresidential properties. Various sites within the City have landscaping and/or site improvements that were once lawful but which have deteriorated over time due to a lack of care, maintenance, repair, or replacement. City Administration wishes to implement a program where, over a reasonable period of time, properties whose non-compliant landscaping or site improvements no longer comply with the approved landscaping or site plan on file with the City, or which are otherwise out of compliance with City standards, will be required to upgrade their landscaping and/or site improvements to conform with the current ordinance requirements.

- Existing landscaping and site improvements installed on nonresidential properties will not be required to conform to the new standards provided these installations are maintained in compliance with approved site or landscape plans.
- Landscaping that over time has become noncompliant due to removal or lack of maintenance will be required to install new landscaping complying with the new ordinance standards.
- Compliance with the new standards becomes effective July 1, 2017. This will give property owners with deteriorated landscaping approximately 8 months (more than 4 planting months) to bring their landscaping into compliance with their approved landscape/site plan on file with the City. If they do so, they would not be required to upgrade to the new standards unless they subsequently do work on their site which requires a new site plan approval, landscaping work that requires a new landscape plan, approval, or change the use of their property.
- The Zoning Board of Appeals has authority under existing Section 30.02 of the Zoning Ordinance to hear administrative appeals and grant administrative modifications to the ordinance. The Zoning Board of Appeals' existing power under Section 30.02 of the Zoning Ordinance will also apply to the provisions of Section 27.03A.

#### Planning Commission:

At the August 11, 2016 Planning Commission meeting, the City Planner and City Attorney made a detailed presentation on the draft nonresidential landscaping and site improvement ordinance. At its September 8<sup>th</sup> meeting, the Planning Commission held a public hearing on the proposed ordinance, and voted 8-1 (motion by Gariepy, supported by Militello) to recommend that the City Council APPROVE the proposed Zoning Ordinance amendments, Case No. PZ16-1144.

**Recommendation:**

The Office of Planning is recommending adoption of the proposed ordinance as a means to enhance the appearance and physical condition of nonresidential properties and further the Visioning 2030 objectives for making the City a vibrant and visually attractive community. This ordinance is another key element in the City's efforts to ensure that Sterling Heights remains a vibrant and attractive community. Although the new standards are an upgrade for this community, these requirements are within the standards that are being required of developers and commercial property owners in other municipalities in southeast Michigan.

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

RESOLVED, to adopt the ordinance amending Articles 23, 24, 27, 28 and 31 of Zoning Ordinance No. 278 to upgrade the landscaping and site improvement standards for nonresidential properties and developments within the City.

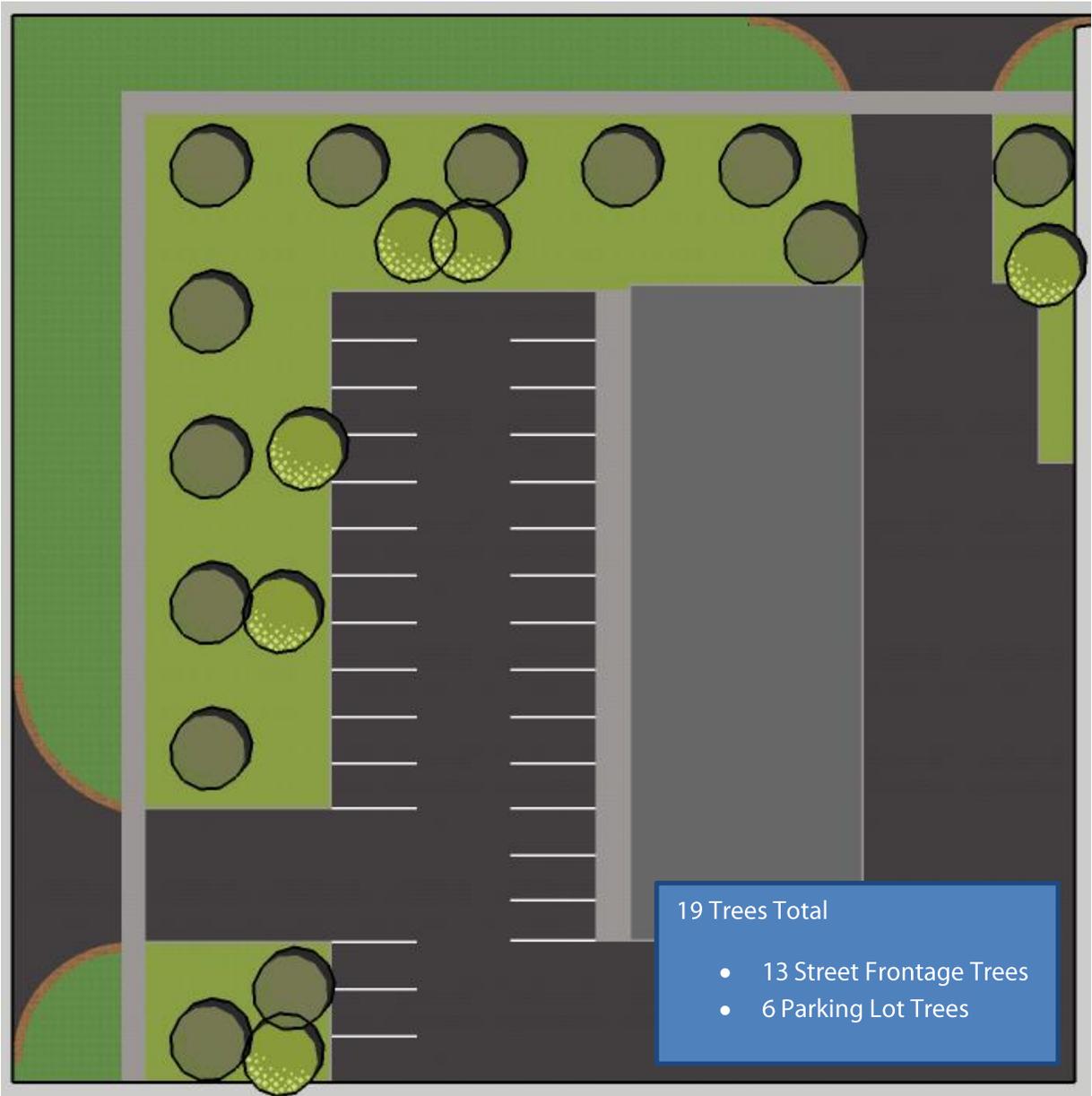
The following information has been provided in response to the questions and concerns raised by the City Council at the last meeting where the Council voted to introduce the proposed ordinance amendments.

**Landscaping Comparison – Current vs. Proposed**

Requirement	Current	Proposed
Street Trees	1 Tree for each 30 Linear Feet	1 Tree for each 750 square feet of Frontage Greenbelt
Frontage Shrub Plantings	None	1 Shrub for each 350 square feet of Frontage Greenbelt
Parking Lot Trees	1 Tree for each 6 Parking Spaces	1 Tree for each 5 Parking Spaces
Parking Lot Island Plantings	None	Minimum of 50% of the area of the parking island to be plant material
Foundation Plantings	None	50% of Linear Frontage of Building
Parking Lot Hedge	None	1 Shrub for each 30 linear inches of parking lot that abuts frontage

The sample site plans below depict a real site within the City and depict the difference in landscaping requirements between the current ordinance and the ordinance as proposed.

Typical Site Plan Requirements – Current Landscaping Requirements



Typical Site Plan Requirements – Proposed Landscaping Requirements



## Cost

The question was raised at the last City Council meeting as to what the cost to a current business or land owner would be of planting the additional plants required under the proposed ordinance. The cost would need to be determined on a case by case basis in that each site and the conditions of each site would be specific and would need to be addressed individually. For instance, in some sites there may not be sufficient area to plant street trees between a parking area and the sidewalk/road or in other cases, foundation plantings would not be feasible for an existing site. As noted each case would be reviewed individually and a determination made as to how to best meet the intent of the proposed ordinance amendments.

Further, at the last City Council meeting an example was given indicating a recent commercial development in the City cost approximately \$6.6 million to develop. This cost included both land acquisition as well as site development. The Planning Department reviewed the plan for compliance with the proposed ordinance requirements and determined it would have cost approximately an additional \$9,300 to comply with the proposed ordinance requirements. This cost increase reflects an increase of less than 0.2% of the overall development costs. So while the percentage cost increase of landscaping may seem significant, the overall impact to the development costs for new sites or the redevelopment of sites is very minor.

## Visibility – Clear Vision

The issue was raised at the previous City Council meeting in regards to the potential that the increased number of plantings within the parking lot may cause safety concerns by creating blindspots. As a part of the site planning process, one of the items that is reviewed is the tree/plant material type in each location to ensure that the type of tree or plant in a particular location will not create a hazard. For instance, evergreen trees within parking islands are typically discouraged in main maneuvering areas. The same type of review comment would apply to any plant material within the parking island. If the plant material would grow too large or become too view obscuring a different plant material would be suggested.

## Enforcement

An issue was raised over a perceived inability to enforce the new standards. The City actually is already engaged with many noncompliant properties due to the failure of the property owner to maintain existing or replace dead, diseased and missing landscaping. In nearly every case, the property owner is in violation of the site plan due to a failure to maintain the approved landscaping. The City is going to be dealing with many of these properties regardless of the implementation of new standards. However, the new standards will provide a means to dramatically improve the look and quality of many developments that, over time, have become tired and unappealing.

The ordinance does afford the property owner until July 1, 2017 to bring a noncompliant property up to the approved site plan. Further, the ordinance allows the potential for an implementation plan to be approved to allow additional time for compliance. These are fair and cost effective options for those property owners who have, unfortunately, allowed their properties to deteriorate. Sterling Heights has made great strides in community aesthetics and the new standards are a means to continue this trend.

The following gives a brief synopsis of the City's current zoning regulations versus the proposed regulations as well as a comparison to several other surrounding communities. It is important to note that when speaking with some of the surrounding communities in terms of landscaping requirements it was indicated that while specific regulations may not be in place sites were "expected" to meet certain standards.

Requirement	Current	Proposed	Shelby Township	Auburn Hills	Washington Township
Street Trees	1 Tree for each 30 Linear Feet	1 Tree for each 750 square feet of Frontage Greenbelt	Yes 1 Tree for each 40 Linear Feet	Yes 1 Tree for each 30 Linear Feet	Yes 1 tree for each 40 linear feet
Frontage Shrub Plantings	None	1 Shrub for each 350 square feet of Frontage Greenbelt	Yes (Entrance Landscape)	Expected	Expected
Parking Lot Trees	1 Tree for each 6 Parking Spaces	1 Tree for each 5 Parking Spaces	Yes 1 Tree for each 6 Parking Spaces	Yes 1 tree for each 20 spaces	1 Tree for each 5 parking spaces
Parking Lot Island Plantings	None	Minimum of 50% of the area of the parking island to be plant material	Yes (Raingardens are encourage)	Expected	Expected
Foundation Plantings	None	50% of Linear Frontage of Building	Expected	In certain districts	Yes 75% of entire building
Parking Lot Hedge	None	1 Shrub for each 30 linear inches of parking lot that abuts frontage	Yes	Case by Case basis	Yes 3' high berm/hedge



Communities with Similar Ordinances









## Compliant Examples Within Sterling Heights

The following examples depict sites within the City that either comply or exceed current zoning ordinance requirements and therefore would be “grandfathered” under the new zoning ordinance amendments. These sites represent the vast majority of the sites within the City. It is also important to note that many of the things the proposed zoning ordinance amendments would require are being done to a certain extent on many properties throughout the City. The zoning ordinance amendments would bring all those elements together into individual sites creating a more vibrant City.







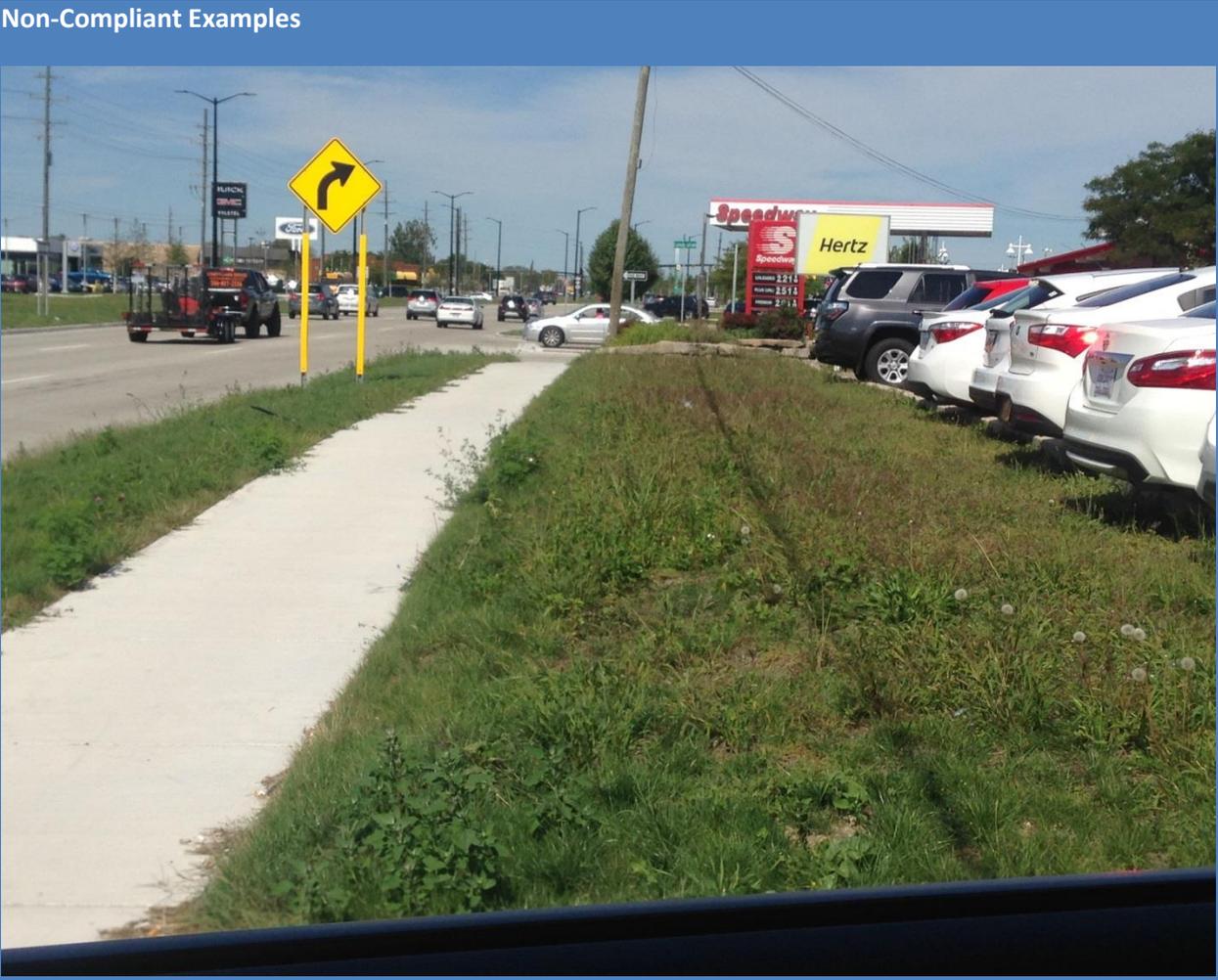
Compliant Examples



Compliant Examples



The following pictures represent the types of sites that would need to come into compliance with the current zoning ordinance requirements/approved landscape plans prior to the proposed July 1<sup>st</sup>, 2017 deadline set forth in the Zoning Ordinance. These sites have essentially no or very little landscape and do not comply with current standards.



Non-Compliant Examples



Non-Compliant Examples



Non-Compliant Examples



CITY OF STERLING HEIGHTS

COUNTY OF MACOMB, MICHIGAN

ORDINANCE NO. 278-\_\_\_

AN ORDINANCE TO AMEND THE ZONING ORDINANCE TO ADD ARTICLE 23, SECTION 23.01, PARAGRAPH N TO PROVIDE FOR RESERVED PARKING AREAS; TO AMEND ARTICLE 24, SECTION 24.02 TO REQUIRE ADDITIONAL LANDSCAPING IRRIGATION; TO AMEND ARTICLE 24, SECTION 24.03 TO REGULATE INTERIOR PARKING LOT LANDSCAPING AND FRONTAGE LANDSCAPING; TO AMEND ARTICLE 24, SECTION 24.05 TO REGULATE THE PLACEMENT AND SCREENING OF TRASH RECEPTACLES AND DUMPSTERS; TO ADD ARTICLE 24, SECTION 24.07 TO REGULATE DECORATIVE FENCING ON NONRESIDENTIAL PROPERTIES AND USES; TO ADD ARTICLE 24, SECTION 24.08 TO REQUIRE FOUNDATION PLANTINGS; TO ADD ARTICLE 24, SECTION 24.09 TO REGULATE SCREENING OF TRANSFORMERS AND OTHER GROUND-MOUNTED APPLIANCES; TO ADD ARTICLE 24, SECTION 24.10 TO REQUIRE PEDESTRIAN CONNECTIONS; TO ADD ARTICLE 24, SECTION 24.11 TO REQUIRE INSTALLATION OF BICYCLE RACKS FOR CERTAIN COMMERCIAL BUILDINGS AND SHOPPING CENTERS; TO ADD ARTICLE 24, SECTION 24.12 TO REQUIRE ENHANCED LANDSCAPING TREATMENTS TO BE INSTALLED; TO ADD ARTICLE 29, SECTION 29.05 TO REGULATE NON-COMPLIANT LANDSCAPING AND SITE IMPROVEMENTS; TO AMEND ARTICLE 28, SECTION 28.14, PARAGRAPH I TO REGULATE TENTS USED AS PART OF A TEMPORARY USE; TO AMEND ARTICLE 31, SECTION 31.01 TO ADD DEFINITIONS OF FOUNDATION PLANTING, FRONTAGE GREENBELT, FRONTAGE LANDSCAPING, FRONTAGE TREES, LINEAR FOOTAGE, ENHANCED LANDSCAPING TREATMENTS; AND TO AMEND THE TITLE AND MAKE ANY OTHER TECHNICAL CORRECTIONS RELATING TO ZONING ORDINANCE NO. 278.

Section 1. Article 23, Section 23.01 of Zoning Ordinance No. 278 shall be amended to add Paragraph N. which shall read as follows:

*N. Reserved Parking Areas.*

1. A developer or owner may request that a certain number of parking spaces be reserved for possible future installation if required. The proposed reserved parking spaces must be shown and labeled on the proposed site plan. The Planning Department (or the Planning Commission if preliminary site plan review is required under the Zoning Ordinance to be performed by the Planning Commission) may approve one or more areas of reserved parking spaces where (a) the developer or owner shows that the specific proposed use requires a fewer number of parking spaces than typically required by Ordinance based on (a) a smaller total usable floor area, (b) a substantially smaller total number of employees than typically anticipated for such uses, (c) the existence of a combination of uses which share parking facilities, or (d) the

proposed use has peak hours of operation which vary from typical business hours making the required parking excessive, provided the proposed reserve parking for the development can be serviced safely and will not result in undue stacking of vehicles, and traffic flow throughout the parking lot can be maintained in a safe manner.

2. If the Planning Department (or the Planning Commission if preliminary site plan review is required under the Zoning Ordinance to be performed by the Planning Commission) determines that the development cannot be serviced safely, that excessive stacking is likely to occur, or that traffic flow cannot likely be maintained in a safe manner if reserved parking is permitted, the Planning Department (or Planning Commission as the case may be) shall not approve the developer or owner's request for reserved parking.

3. If the Planning Department (or the Planning Commission as the case may be) approves the request of the developer or owner for reserved parking, the site plan shall depict (i) the location and number of parking spaces required to be installed currently, (ii) the location and number of all of reserved parking spaces which may be required to be installed in the future identified as "Reserved Future Parking Area", and (iii) the total number of parking spaces which may be required if the reserved parking spaces are required to be installed in the future. The site plan shall contain a notation in each Reserved Future Parking Area that states "No buildings, structures or improvements shall be constructed in the Reserved Future Parking Area".

4. The owner of the site with one or more approved Reserved Future Parking Areas shall execute and deliver to the City a reserved parking agreement satisfactory to the City Planner and City Attorney in recordable form which makes the reserved future parking area arrangement a matter of record so that future owners of the property will be on notice of the reserved parking arrangement and restriction on future development in the Reserved Future Parking Area, and the possible requirement for future installation of additional parking spaces as may be required by the City.

5. If the Planning Department (or the Planning Commission as the case may be) determines that traffic patterns, a change in use or an increase in intensity of the use on the property, either as a result of an increase in the number of employees or hours of operation, a decrease in approved storage area, etc. or any other factor requires the installation of some or all of the reserved parking spaces, the Planning Department may require additional parking spaces, as determined by the Planning Department, to be constructed in the Reserved Future Parking Area(s) shown on the site plan within six (6) months of notice of such additional parking being required.

Section 2. The last sentence of Article 24, Section 24.02, Paragraph A 2 of Zoning Ordinance No. 278 shall be deleted and the following sentence substituted in its place:

2. All landscaping shall have an irrigation (water sprinkler) system installed and maintained in good operating condition to ensure the maintenance of all landscaping in a healthy, thriving condition. The Planning Department may modify or waive the irrigation system requirements for natural vegetation areas of the site, where an alternative method of irrigation is provided, or where installation of an irrigation system is impractical or unfeasible due to the unavailability of a proximate water supply or other existing site conditions.

Section 3. Article 24, Section 24.03, Paragraph A of Zoning Ordinance No. 278 shall be amended to read as follows:

**Section 24.03 Off-Street Parking Lot Landscaping Requirements**

*A. Interior parking lot landscaping.*

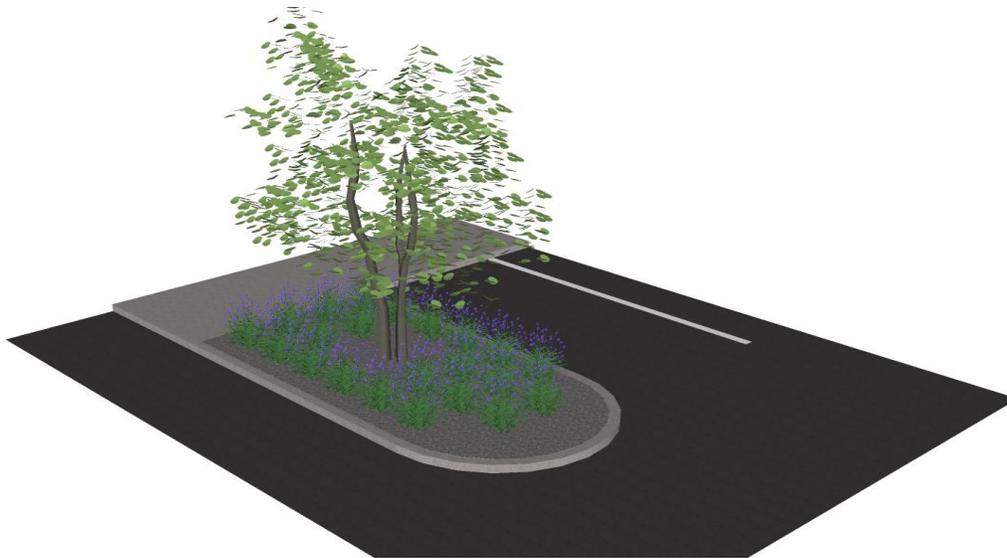
1. All off-street surface parking areas required under the Zoning Ordinance shall incorporate and provide curbed landscaped islands at the end of each parking row. The Planning Department or Planning Commission (as the case may be) may modify the requirement for curbed landscape islands in instances where the installation of curbed landscaped islands would impair the use of the site or otherwise be impractical, based upon the size, configuration or anticipated traffic generation on the site.

a. Curbed landscaped islands shall be a minimum of one hundred and fifty (150) square feet in area.

b. The curbed landscaped islands shall be planted with shrubs or other flowering plants that provide coverage of at least fifty (50) percent of the area of the island.

c. Interior parking lot trees shall be provided at a rate of one (1) tree for each five (5) parking spaces and shall be planted in curbed landscaped islands or adjacent to an off-street parking area. (See illustration below)

Curbed Landscaped Area at End of Parking Row



d. The minimum size of all parking lot trees shall be three (3) inch caliper at the time of planting. The following types of trees or similar types are considered to be suitable for off-street parking areas:

- i. White fir;
- ii. Norway maple;

- iii. Tulip tree (magnolia);
- iv. Austrian and red pine;
- v. Moraine, skyline, majestic and sunburst locusts.

e. All trees, shrubs and other landscaping planted in or adjacent to an off-street parking lot shall be installed in a location and pruned and maintained in a manner to maintain clear vision for vehicles, bicyclists and pedestrians in the vicinity of the trees, shrubs, or other landscaping.

Section 4. Article 24, Section 24.03, Paragraph B shall be amended to read as follows:

*B. Frontage landscaping.*

1. A minimum of one (1) frontage tree shall be provided for each seven hundred and fifty (750) square feet of frontage greenbelt. Frontage trees shall include trees such as Honey Locust, River Birch, Spruce, Chanticleer Pear, Cleveland Select Pear, Basswood, Hackberry, Linden, Oak, Ginkgo, Maple, etc. Frontage trees shall be a minimum of three (3) inches in caliper at the time of planting.

2. In addition to the frontage trees required above, one (1) plant/shrub shall be provided for each three hundred (300) square feet of frontage greenbelt. Frontage plants/shrubs shall include but are not limited to: Knock Out roses, nearly wild roses, dwarf lilacs, hydrangeas, maiden grasses, large hostas, sedums, densi yews, Carpet roses, Russian sage, etc. Plants or shrubs shall be a minimum size of two (2) gallon size at planting.

3. In addition to the plantings above, supplemental perennial grasses and flowers shall also be provided. Perennial grasses and flowers may include black-eyed Susans, fescue grass, oat grass, day lilies, Indian grass, dropseed, blue stem, etc.

4. Wherever a parking lot or vehicle parking space is located within fifty (50) feet of a public street, right-of-way or private street, the perimeter landscaping shall also include a landscape hedge of deciduous or upright evergreen shrubs. The number of required shrubs shall be equivalent to one (1) shrub for each thirty (30) inches of parking or maneuvering lane along the roadway or right-of-way, unless appropriate planting practices otherwise dictate. Plantings may be planted in either a formal hedge or in natural groupings. The Planning Department may approve other plant materials or configurations that the Planning Department determines provide the equivalent of the required frontage landscape.

5. The types of trees and shrubs planted as a result of this section shall be diverse in nature. No one (1) specific species of tree shall account for more than fifty (50%) percent of the total number of trees or shrubs.

6. All plantings shall conform to the required corner clearance requirements of Section 28.03.

7. Properties that have frontage on Van Dyke Road between 14 Mile Road and 18 Mile Road shall incorporate landscape materials and plant types listed in the 2016 LDFA/Smart Zone Enhancement Report. A mixture of shade trees, ornamental trees, perennials and grasses shall be

utilized from the list and planted in a manner consistent with the overall conceptual rendering for the corridor.

8. The proposed plantings shall provide a continuous landscaping scheme across the entire road frontage and meet the minimum planting requirements of Section 24.03.

9. Frontage landscaping may be installed in accordance with any of the following illustrations:

Permitted Frontage Landscaping on Corner Lots or Corner Parcels



Permitted Landscaping on Interior Lots or Interior Parcels





Section 5. Article 24, Section 24.05, Paragraph B of Zoning Ordinance No. 278 shall be amended to read as follows:

B. All trash receptacles shall be screened on three (3) sides by decorative masonry walls which are similar to or compatible with the exterior construction materials used elsewhere on the site. Chain link fencing with view-obscuring slats or wooden privacy fencing shall be prohibited. A door or gate of an enclosure screening trash receptacles or dumpsters shall be constructed of steel materials with a decorative wood or other decorative durable face material. All trash receptacles shall be placed on a concrete pad of not less than ten (10) feet by ten (10) feet in size with a minimum of six (6) inch thick concrete. Concrete or metal bollards shall be placed between the trash receptacle or dumpster and the rear wall of the enclosure.

1. For sites that utilize a trash compactor, the trash compactor shall be appropriately screened with a decorative wall, matching the heights of the trash compactor and that matches the architecture of the building. Other suitable screening mechanisms may be approved by the Planning Department (or the Planning Commission as the case may be), provided the screening is equivalent to the required wall.

Section 6. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.07 which shall read as follows:

#### **Section 24.07 Decorative Fencing for Nonresidential Properties and Uses**

A. All fences located on nonresidential properties or properties developed with nonresidential uses which abut a local collector, major, or regional roadway or a highway or expressway that are visible from such roadway, highway, or expressway shall be constructed of durable, decorative fencing material such as decorative wrought iron, PVC, etc. The use of standard chain link fencing shall be prohibited except in instances where the Planning Department (or the Planning Commission as the case may be) determines that the fence will not be visible from an abutting roadway, highway or expressway.

B. Fencing on a nonresidential property or for a nonresidential use shall only be permitted when necessary and in conjunction with a permitted principally permitted, approved special approval land use, or permitted applicable accessory use within the specific district in which it is located.

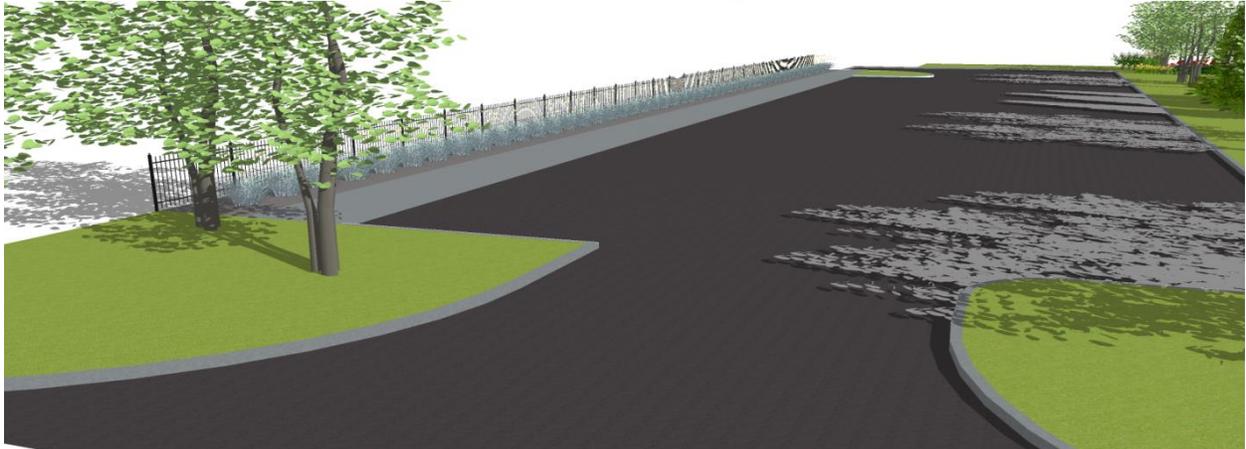
C. Fencing shall not be permitted within the required front yard. Fencing shall only be permitted within the non-required front yard. For those fences located in the non-required front yard, additional landscaping between the fence and the street right of way may be required by the Planning Department (or the Planning Commission as the case may be). Fencing may be permitted within the required side yard setback and within the required rear yard setback.

D. The use of slats or other strips of wood, metal, plastic or other materials inserted into a fence to provide screening or privacy shall be prohibited.

E. The provisions of this Section 24.07 shall not apply in instances where this Ordinance specifically requires fencing within the front yard or other area of the site.

F. Decorative fencing shall be installed similar to the illustration below:

Decorative Fencing



Section 7. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.08 which shall read as follows:

### **Section 24.08 Foundation Plantings**

A. Foundation plantings shall be installed along a minimum of fifty (50%) percent of the linear footage of each side of an office or commercial building that is visible from a public thoroughfare. Buildings located on an outlot of a shopping center or otherwise built in front of the established front building line shall be landscaped with foundation plantings on those sides of the building that are clearly visible to the general public from the parking lot of the overall shopping center or site. For industrial sites, the landscaping requirement shall apply to that area of the industrial building dedicated to office and administrative use.

B. The foundation planting area shall be at least three (3) feet deep and may include in-ground landscaping, raised landscape beds, decorative container planters, or a combination of these. The Planning Department may approve other alternative landscaping schemes, such as green walls, increased landscaped island space, etc., consistent with the intent of this section.

C. The required landscaping shall be planted within twelve (12) feet of the exterior building walls. When a use contains an outdoor dining area or similar outdoor plaza area along the building frontage, the foundation planting area may be permitted to extend beyond the twelve (12) foot area to up to twenty-five (25) feet from the building or to a distance necessary to provide a landscaped treatment and/or screening along the perimeter sides of the outdoor dining area or outdoor plaza area which are furthest from the building, whichever is greater. (See illustration below).

Foundation Plantings Surrounding Outdoor Dining or Outdoor Plaza Area



Section 8. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.09 which shall read as follows:

**Section 24.09 Transformer and Other Ground-mounted Appliance Screening**

The location of any and all ground-mounted transformers, generators, air conditioning units or other similar appliances or equipment shall be shown on the site plan. Screening of the transformer or appliances shall be provided by the use of appropriate architectural features or landscaping which consists of plant materials of sufficient size and nature to provide a year round screen.

Section 9. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.10 which shall read as follows:

**Section 24.10 Pedestrian Connections**

A pedestrian connection shall be provided between the sidewalk along the frontage roadway and the entrance to the building. The pedestrian connection shall utilize parking islands,

landscape areas, etc. to provide pedestrian protection to the greatest extent possible. The pedestrian connections shall be a minimum of five (5) feet in width and shall comply with all necessary accessibility requirements. Further, the pedestrian connection shall be integrated into the landscaping design for the entire site providing landscape materials to provide greater separation between the pedestrian connection area and any abutting vehicular maneuvering lanes or parking areas. (See illustration below).

### Pedestrian Connections



Section 10. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.11 which shall read as follows:

#### **Section 24.11 Bicycle Racks**

A minimum of one (1) bicycle rack with spaces to park at least three (3) bicycles shall be installed at each commercial building or shopping center building that contains 5,000 square feet or more of useable space. The bicycle rack(s) shall be placed in one or more conspicuous location(s) within fifty (50) feet of a building entrance so that pedestrian access to the entrance or pedestrian movement on the site is not impeded.

Section 11. Article 24 of Zoning Ordinance No. 278 shall be amended to add Section 24.12 which shall read as follows:

#### **Section 24.12 Enhanced Landscaping Treatments**

In order to create a cohesively designed physical land use environment that portrays a sense of community specific to the City of Sterling Heights and a dynamic, flexible, and sustainable presence insuring long term value for both the community and the region, all nonresidential developments within the City shall provide at least two (2) outdoor enhanced landscaping treatments, at least one (1) of which shall serve the general public.

An enhanced landscaping treatment shall include at least two (2) of the following site elements or amenities listed in the following table, provided that such spaces are open, inviting, and accessible and total a minimum of five (5%) percent of the gross floor area of all buildings. Two

(2) of the same types of elements may be selected, provided that they are located in two (2) distinct locations of the site and meet the requirements of this section. All enhanced landscaping treatments shall be maintained in good condition on a year-round basis.

<b>Enhanced Landscaping Treatment</b>	<b>Required Element</b>	<b>Proximity and Accessibility Requirement</b>	
<b>Outdoor dining areas</b>	The outdoor dining area shall be an integral element in the overall building and site design. If the use of the area ceases for dining purposes, the area shall be repurposed and maintained appropriately as a plaza area unless otherwise redeveloped.	Outdoor dining shall be provided in a location that is accessible to patrons or users as well as accessible for maintenance and upkeep. Outdoor dining areas shall also be afforded protection/separation from any abutting vehicular maneuvering lanes or parking areas.	
<b>Pedestrian Pass Through</b>	All pedestrian pass through areas shall be at least eighteen (18) feet wide. This requirement may be modified by the Planning Department if it is demonstrated that the pedestrian pass through is designed with architectural elements that reinforce an appropriate pedestrian scale. Pedestrian pass through areas shall include appropriate architectural and landscape elements which are in character with the remainder of the building and site. When uncovered, the	A pedestrian pass through area shall serve as a passageway through a building connecting place of interest or other significant site elements.	

	<p>pedestrian pass through shall include enhanced pavement that distinguishes the pedestrian pass through from adjacent sidewalks.</p> <p>Whether uncovered or enclosed, a pass through shall also include elements such as seating areas, trash receptacles, and pedestrian scaled lighting. A bike rack shall be within the pedestrian pass through or located within thirty (30) feet of the pedestrian pass through entrance.</p>		
<b>Plaza</b>	<p>A plaza shall be designed to attract the general public. It shall include moveable seating, at least one (1) trash receptacle and one or more of the following additional items: a garden, landscape containers/planters, and/or water features such as fountains, reflecting pool, ponds, or waterfalls.</p>	<p>A plaza is separated from parking areas by a buffer, or landscape plantings at least three (3) feet in height.</p>	

Alternatives. Alternatives will only be permitted if the Planning Department finds the proposed alternative(s) is/are in keeping with the spirit of this section. Any alternatives shall result in engaging, interesting, attractive, safe, context sensitive, and comfortable places.

Section 12. Article 29 shall be amended to add new Section 29.05 which shall read as follows:

## **SECTION 29.05 LANDSCAPING AND SITE IMPROVEMENTS; RESUMPTION AND RESTORATION**

It is the intent of the City to improve the aesthetics and environmental quality of the City by requiring commercial and industrial properties with required landscaping or other exterior site improvements (such as roads, drives, parking areas, utilities, retention areas, walls, fences, open space areas, etc.) that have deteriorated over time due to a lack of care, maintenance, repair, or replacement to be brought into compliance with the current standards of the Zoning Ordinance.

### **A. Landscaping**

1. Landscaping that is not in compliance with the provisions of the Zoning Ordinance shall be allowed to continue so long as it otherwise remains lawful and is properly maintained.

- a. However, such landscaping shall not be extended, replaced, or moved except in a manner that complies with the terms of this Zoning Ordinance.

2. When existing landscaping on a site dies, becomes diseased, becomes overgrown, or is missing from the site despite being required in an approved landscape plan or site plan for the site, the dead, diseased, overgrown, or missing landscaping shall be replaced with landscaping that meets the current requirements of the Zoning Ordinance.

3. A property owner shall bring the landscaping on a site into compliance with all current Zoning Ordinance requirements in any of the following circumstances:

- a. Whenever a property owner proposes to do site modifications that require a new site plan approval or replacement work relating to landscaping that requires a new landscape plan approval;
- b. Whenever a property owner changes the use of the property or building;
- c. Whenever a property owner undertakes improvements relating to a parking lot and/or paving, except that routine maintenance of a parking lot and/or paving shall not cause application of this provision unless the structural integrity of the parking lot or paving has deteriorated to the extent that it must be replaced rather than repaired;
- d. Whenever the property is approved for expansion of a non-conforming use or structure; or
- e. Whenever the property is approved for a map amendment to the zoning map or a conditional rezoning agreement.

### **B. Site Improvements**

1. Site improvements that are not in compliance with the provisions of the Zoning Ordinance shall be allowed to continue so long as they otherwise remain lawful and are properly maintained.

- a. However, such site improvements shall not be extended, replaced, altered, moved, constructed, or reconstructed except in a manner that complies with the terms of this Zoning Ordinance.

2. If an existing site improvement has deteriorated and/or has been destroyed, removed, or unlawfully modified to the extent that it is no longer in compliance with the Zoning Ordinance standards applicable at the time the site improvement was approved, the site improvement shall not be permitted to be resumed or restored to non-compliant standards but shall be brought into compliance with the current standards of the Zoning Ordinance, except that routine maintenance of a site improvement shall not cause application of this provision unless the structural integrity of the site improvement has deteriorated to the extent that it must be replaced rather than repaired.

3. A property owner shall bring the site improvements on the site into compliance with all current Zoning Ordinance requirements in any of the following circumstances:

- a. Whenever a property owner proposes to do site work or work on any site improvement which requires a permit or City approval;
- b. Whenever a property owner changes the use of the property or building;
- c. Whenever the property is approved for expansion of a non-conforming use or structure; or
- d. Whenever the property is approved for a zoning map change or conditional zoning agreement.

### C. Phasing of Work for Compliance

1. The City Planner may allow a property owner who is required to bring landscaping or site improvements into compliance with the current requirements of this Zoning Ordinance pursuant to this section to do so over a period of time, provided the property owner executes and delivers to the City a Landscaping Upgrade Agreement or Site Improvement Agreement, as the case may be, in recordable form prepared by the City setting forth the property owner's commitments and obligations to install such landscaping or site improvements.

2. In implementing this phased compliance, the City Planner is authorized to allow a property owner a period of up to three (3) years depending on the nature, scope, and cost of the estimated work to bring the landscaping or site improvements into compliance with current Zoning Ordinance requirements. The phasing period shall require continuous, regular progress with respect to bringing the landscaping or site improvements into compliance with current Zoning Ordinance requirements.

3. Notwithstanding any other provision to the contrary contained in this section, a property owner shall not cause any condition or allow any condition to exist on its property which creates a hazard to the health, safety, or welfare of the public or anyone on the property.

D. Zoning Board of Appeals Authority

1. A property owner aggrieved by an administrative determination made relating to Section 29.05 may file an administrative appeal to the Zoning Board of Appeals in accordance with the provisions of Section 30.02 Paragraph B 1 of the Zoning Ordinance.

2. A property owner may seek a modification from the Zoning Board of Appeals of the requirements of Section 29.05 as applied to its property in accordance with the provisions of Section 30.02 Paragraph C 4 of the Zoning Ordinance.

E. Process

1. A written notice of violation shall be delivered to a property owner that fails to bring any landscaping and/or site improvement into compliance as required by this section.

2. Until July 1, 2017, the property owner may restore the landscaping and/or site improvement in a manner that complies with the requirements applicable to the property prior to the issuance of the notice of violation.

3. Effective July 1, 2017, if the property has been determined by the City to be substantially and materially out of compliance with its approved site plan, landscape plan, and/or the ordinance standards applicable to site improvements and/or landscaping on the property, the notice shall require the property owner to submit a new or updated landscaping plan and/or site plan to the City Planner which shall incorporate the current requirements of the Zoning Ordinance.

4. Failure to comply with these requirements shall subject the property owner to the remedial and enforcement provisions set forth elsewhere in the Zoning Ordinance and in Section 11-141 of the City Code.

Section 13. Article 28, Section 28.14, Paragraph I shall be amended to read as follows:

I. Any temporary structures shall be erected in a safe manner in accordance with applicable city codes, ordinances or standards. All tents used in conjunction with an approved temporary use shall be white.

Section 14. Article 31, Section 31.01 of Zoning Ordinance No. 278 shall be amended to add the following definitions to be inserted in their proper alphabetical sequence:

***ENHANCED LANDSCAPING TREATMENT.*** An outdoor site element, feature, or amenity (such as an outdoor dining area, plaza, or pedestrian pass through) that (i) contributes to making a place more inviting and aesthetically pleasing to current or prospective residents, employees, businesses, visitors, or others who currently or may in the future live, work, play, do

business, or visit the City, and/or (ii) promotes community spirit within the City, and camaraderie among those who live, work, play, do business, or visit the City.

**FOUNDATION PLANTING.** A planting providing decorative landscaping adjacent to (i) an exterior building wall visible to the general public from a public thoroughfare, or parking lot of the overall shopping center or site, or (ii) an outdoor dining area or outdoor plaza area.

**FRONTAGE GREENBELT.** A flat or undulating landscaped area or landscaped berm located in the front yard(s) of a lot or parcel of a depth not less than the required front yard setback.

**FRONTAGE LANDSCAPING.** Grass, shrubs, trees, other plantings, mulch, and decorative stones installed in a bed or other landscape area located in the frontage greenbelt of a lot or parcel parallel to the street(s) adjacent to the lot or parcel.

**FRONTAGE TREES.** Evergreen or deciduous trees installed in the frontage greenbelt of a lot or parcel. Frontage trees shall not include street trees planted in the right-of-way area adjacent to the front yard of a lot or parcel.

**LINEAR FOOTAGE OR LINEAR FEET.** The straight line measurement in feet of lot or parcel frontage on a street or of an object (such as exterior wall of a building).

Section 15. All other provisions of Zoning Ordinance No. 278 not amended in this ordinance shall remain in full force and effect.

Section 16. This amendment shall become effective seven (7) days after publication of this amendment or a notice of adoption.

This Ordinance was introduced at a regular meeting of the City Council of the City of Sterling Heights on the \_\_\_ day of October, 2016, and was duly adopted at a regular meeting of the City Council of the City of Sterling Heights on the \_\_\_\_ day of October, 2016.

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MARK CARUFEL  
CITY CLERK

INTRODUCED: \_\_\_\_\_  
ADOPTED: \_\_\_\_\_  
PUBLISHED: \_\_\_\_\_  
EFFECTIVE: \_\_\_\_\_



**Business of the City Council  
Sterling Heights, Michigan**

*Delivered SEPT 29, 2016*

City Clerk's Use  
Item No: 5 A-E  
Meeting: 10/04/16

**AGENDA STATEMENT**

OMB AS03 Rev. 11/04

**Item Title:** Consent Agenda

**Submitted By:** Office of the City Clerk

**Contact Person/Telephone:** Mark Carufel, 446-2421

**Administration (initial as applicable)**

**Attachments**

- |   |                                     |                                   |
|---|-------------------------------------|-----------------------------------|
| <input type="checkbox"/> City Clerk                       | <input type="checkbox"/> Resolution | <input type="checkbox"/> Minutes  |
| <input type="checkbox"/> Finance & Budget Director        | <input type="checkbox"/> Ordinance  | <input type="checkbox"/> Plan/Map |
| <input type="checkbox"/> City Attorney (as to legal form) | <input type="checkbox"/> Contract   | <input type="checkbox"/> Other    |
| <input type="checkbox"/> City Manager                     |                                     |                                   |

**Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office**

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

5. **A. Approval of Minutes  
Regular Meeting of September 20, 2016**
- B. Approval of Bills**
- C. To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding an emergency repair to the Fire Department's 2003 Sutphen aerial ladder truck (Total expenditure of \$12,011.31).**
- D. To purchase construction and utility castings at unit pricing available through the Oakland County Cooperative Purchasing Program (Estimated annual expenditure of \$45,000).**
- E. To approve an Interlocal Agreement between the City of Sterling Heights and City of Warren for Reciprocal Lending of Municipal Fire Apparatus.**

*Delivered September 29, 2016  
Agenda Item 5-A  
Meeting: 10/04/16*

## UNOFFICIAL MINUTES

CITY OF STERLING HEIGHTS

MINUTES OF REGULAR MEETING OF CITY COUNCIL

TUESDAY, SEPTEMBER 20, 2016

IN CITY HALL

Mayor Michael C. Taylor called the meeting to order at 7:30 p.m.

Mayor Taylor led the Pledge of Allegiance to the Flag and Mark Carufel, City Clerk, gave the Invocation.

Council Members present at roll call: Deanna Koski, Joseph V. Romano, Maria G. Schmidt, Nate Shannon, Doug Skrzyniarz, Michael C. Taylor, Barbara A. Ziarko.

Also Present: Mark Vanderpool, City Manager; Marc D. Kaszubski, City Attorney; Mark Carufel, City Clerk; Carol Sobosky, Recording Secretary.

### APPROVAL OF AGENDA

Moved by Koski, seconded by Romano, to approve the Agenda as presented.

Yes: All. The motion carried.

### REPORT FROM CITY MANAGER

Mr. Vanderpool reported on the successful Department of Public Works (DPW) Open House this past weekend, with about 500 people attending. He commended the DPW on the great job they do every day.

Mr. Vanderpool reported that the new fire rescue truck is parked outside the building this evening and he encouraged anyone interested to look at it when leaving the meeting.

Mr. Vanderpool stated the dedication ceremony for the completion of Van Dyke will take place near the Van Dyke/Metro Parkway intersection tomorrow at 5 p.m. The Sterling Heights Regional Chamber of Commerce and Industry's Annual Fall Grub Crawl will begin at 5:30 p.m., and he stated the restaurants will appreciate many people taking advantage of the event and visiting their restaurants. Mr. Vanderpool announced the Van Dyke project is near completion, with some punch list items that need to be addressed.

Mr. Vanderpool reported that the City of Sterling Heights will be having its first annual State of the City address on Friday, September 30<sup>th</sup> at 8:00 a.m. at the Wyndham Garden Hotel, and registration is being handled by the Sterling Heights Regional Chamber.

Mr. Vanderpool stated the Fire Department's Annual Open House will be held on Sunday, October 2<sup>nd</sup> from 11 a.m. to 2 p.m. at Fire Station #4, located adjacent to Baumgartner Park. He added that the city's Firefighter's Union and local businesses are donating time, goods and services, and the firefighters and paramedics are volunteering their time to be at this event.

Mr. Vanderpool reported that the Sterling Heights Community Foundation will be presenting the 4<sup>th</sup> Annual Puttin' on the Ritz Gala on October 28<sup>th</sup> and will be honoring Ms. Barbara W. Rossman, President and CEO of Henry Ford Macomb Hospitals. He informed that tickets for this event are available through the Sterling Heights Community Foundation.

Mr. Vanderpool provided an update on the upcoming elections, noting that there has been some legislation challenged at the state level, and he stated Deputy City Clerk Melanie Ryska will give an overview of the upcoming election.

Deputy Clerk Melanie Ryska provided an overview of the upcoming presidential election to be held on Tuesday, November 8<sup>th</sup>, 2016, with polling hours from 7 a.m. to 8 p.m. She reminded the public of some important dates, including October 11<sup>th</sup>, which is the last day to register to vote in November's election, and November 5<sup>th</sup>, which is the last day to apply for an Absent Voter Ballot. She reminded everyone to keep in mind the mailing time for the absentee ballots because they have to be received in the Clerk's office no later than November 8<sup>th</sup>. She added that the Clerk's Office will be open on Saturday, November 5<sup>th</sup> from 10 a.m. to 2 p.m. Ms. Ryska explained that legislation last year eliminated straight-ticket voting in Michigan; however, a federal district court judge issued an injunction on that ruling. The State officials subsequently went to the US Supreme Court to appeal it, but the Supreme Court refused to hear the case, so straight-ticket voting in Michigan will be permitted in November. She advised there is a new party, "The Working Class Party", that will be on the ballot. She

explained that residents can register to vote at a Secretary of State office, or visit the State of Michigan's voter information site, which is [mi.gov/vote](http://mi.gov/vote). There are registration forms on the table outside of the Council chambers, and she reminded that both answers have to be answered under the qualifications; otherwise, the registration will be denied. For those wishing to request an absentee ballot, they must meet the qualifications of being over 60 years of age, or the expectation of being out of town on Election Day. She stated that the absentee ballot allows people to vote in the comfort of their own homes and avoid the long lines that are anticipated this election day. She stated those wishing to apply for an absentee ballot can do so on line, or there are more applications on the table outside of the Council Chambers. Anyone interested in being an election inspector, precinct worker or absent voter counting worker can download an application from [www.sterling-heights.net](http://www.sterling-heights.net). A party affiliation is a requirement. The process is being streamlined to process voters quicker, they will have electronic poll books at the precinct. At dual precinct locations there will be tablets where an inspector can look it up and direct voters to the correct line. She urged residents to look at the Michigan Voter Information Center ([www.mi.gov/vote](http://www.mi.gov/vote)). She informed the ballot is a two-sided one-page ballot, with the proposals on the back. She urged anyone with questions to contact the Clerk's office.

#### PRESENTATION

Councilman Skrzyniarz presented the Nice Neighbor award to Mr. Bill Koza, nominated by his neighbor, Mr. Ed Biegas.

Fire Chief Chris Martin presented the Nice Neighbor award to Marriott Towne Place Suites on Lakeside Circle. He stated that they have implemented the *Helping Hands Program* for the benefit of Sterling Heights residents who are impacted by a fire or other casualty loss, and through this program, a displaced family is afforded a complimentary, one-night stay at the Marriott Towne Place Suites.

Ms. Patti Najduk of Marriott Towne Place Suites accepted the award. She stated they understand how a difficult situation such as a fire affects everyone, and they are happy to provide a helpful service to the residents of the community. She was thanked by the Mayor and each of the Council members.

Fire Chief Chris Martin explained the *Survival Coin Program*, where, through a small token presented by the Sterling Heights Fire Department to victims who survived cardiac arrest, a bond that started under emergency conditions is sealed through a personal connection between the first responder and the patient who is celebrating their life that was saved.

Fire Chief Martin introduced the first three recipients, each who suffered cardiac arrest and through early recognition and prompt intervention and transport by paramedics, were saved. The first responders for those three individuals presented them with their *Survival Coins*. Chief Martin explained that a fourth recipient is not present this evening because he is out-of-town for work, but he will be presented with his *Survival Coin* next week.

Mayor Taylor thanked all of the police officers, firefighters and paramedics for their quick actions, and he thanked those present tonight for taking time out of their evenings to be here. He thanked Chief Martin for the powerful presentation and was certain that everyone can see the important work done on a daily basis by the Fire and Police Departments.

Chief Martin thanked Mr. Jack Voss of Buff Whelan Chevrolet on behalf of the City of Sterling Heights for their generosity in hosting an appreciation luncheon on Firefighter Appreciation Day at the dealership for its employees and on-duty personnel of the Fire Department. He also thanked them for their \$500 donation to the City to fund the Fire Department's public education outreach initiatives, stating that the money will be used in support of the annual Fire Department Open House and future educational programs.

Mr. Voss stated that the Sterling Heights Fire Department is outstanding, and the staff at Buff Whelan Chevrolet are humbled by the dedication and service of the Fire Department staff.

Moved by Romano, seconded by Schmidt, **RESOLVED**, to acknowledge and accept the donation in the amount of \$500 to the Sterling Heights Fire Department by Buff Whelan Chevrolet, 40445 Van Dyke, Sterling Heights, Michigan.

Mayor Pro-Tem Romano felt it is nice when their business partners step up and help out not only the community but the individual departments in the City.

Yes: All. The motion carried.

Mayor Taylor expressed his appreciation to Buff Whelan Chevrolet and all of the Fire Department personnel and the families present tonight.

#### ORDINANCE INTRODUCTION

1. Mr. Chris McLeod, City Planner, explained this is the consideration of an ordinance amending Zoning Ordinance No. 278 to upgrade the landscaping and site improvement standards for non-residential properties and developments within the City. He explained the purpose is to further the City's 2030 Visioning Plan and to help the City expand and maintain its green footprint. He stated these proposed amendments represent practices that the Planning Department has been doing over the last year, and most developers have been very receptive to the idea.

Mr. McLeod summarized the proposed changes:

- Frontage landscaping is being increased, with one frontage tree required for each 750 square feet of frontage greenbelt.
- Frontage greenbelt is to contain landscape other than trees.
- Foundation plantings must be installed along 50% of the linear frontage of an office or commercial building.
- Off-street parking lot landscaping is being required.
- Allow reserved future parking areas to be developed as needed rather than installation up front when it may not be needed.
- Screening of trash receptacles
- Decorative fencing
- Screening of transformers and other ground-mounted appliances.

- Pedestrian connections are being required between public sidewalks and the entrance to a commercial or industrial building to improve pedestrian accessibility and safety.
- Installation of a bicycle rack for every commercial building or shopping center containing at least 5,000 square feet.
- Irrigation systems to be expanded to include all landscaped areas and not just the front.
- Tents approved for a temporary use (not residential) will be required to be white.

Mr. Giulio Russo stated he was surprised this came up when he heard nothing about it before tonight, and he requested that they be provided more information before they act on it. He was concerned about this ordinance adding a lot of cost to developers when putting in and maintaining landscaping, and he questioned whether this will have to be followed.

Mr. Joe Judnick stated this ordinance is restrictive and questioned as to whether a commercial property owner will have to submit a landscape plan if some of their trees and shrubs die and need to be replaced. He stated he does not want to see a place like Lakeside Mall have to tear up a lot of their pavement to put in the mandatory sprinkler system. He liked the screening of dumpsters and felt that will be an improvement. He expressed concern that if the City is going to be “business-friendly”, this ordinance is too restrictive, and he urged the Council members to give this careful consideration.

Moved by Romano, seconded by Taylor, RESOLVED, to introduce the ordinance amending Articles 23, 24, 27, 28 and 31 of Zoning Ordinance No. 278 and to upgrade the landscaping and site improvement standards for nonresidential properties and developments within the City.

Mayor Pro-Tem Romano said there will be heavy cost factors for those property owners who have to modify their plans if some of their vegetation dies, because they will have to then bring their site up to the current code. He stated he is in favor of the dumpster screening, and he has no objection to the required bicycle racks for buildings over 5,000 square feet. He added the reserved parking areas are a good idea. He explained this is an introduction and it will come up for a final vote anticipated at the next meeting, so there is time for anyone with questions on it to meet with Mr. McLeod or Mr. Clark Andrews, the attorney who has worked on this. Mayor Pro-Tem Romano does not want to hamper developers of small commercial centers with something that will cost them so much money, and they need to make sure it is financially feasible for them to follow the ordinance. He suggested they determine what it is going to cost some of these developers to adhere to these requirements. He inquired as to whether Mr. McLeod can reject a landscape plan during the planning review process if he is not happy with the number of trees being proposed.

Mr. McLeod replied the ordinance requires a minimum number of trees and shrubs, and in response to the City's directive to create a more vibrant centers and increase the green footprint, the proposed ordinance is a way of achieving this

goal. They have been working with developers over the last year to go above and beyond, and most of them have done so. For the developers who do not want to do this, he stated that without the proposed ordinance, he has no way of forcing them to do any more than is required under the current ordinance.

Mayor Pro-Tem Romano estimated that the City is 98% built out, and the majority of developers who are building on the remaining 2% to 4% of the vacant land are adhering to most of their suggestions. He added that those who submit for Conditional Zoning can be held to higher requirements, so there is some type of tool in place to require more from them. He felt putting this in place for the small percentage of unbuilt properties may be cost-prohibitive for those developers. He urged those who feel it is too restrictive to contact Mr. McLeod or Mr. Andrews, and possibly this can be fine-tuned.

Councilwoman Schmidt agreed with Mayor Pro-Tem Romano. She inquired as to whether current businesses are grandfathered from these amendments.

Mr. McLeod explained that the proposed ordinance revision contains a clause that if a commercial development is in compliance with the ordinance as it stands now or their approved plans, they are grandfathered. If the site is not in compliance with either the current ordinance or the approved plans, they will have an opportunity to come into compliance with the current ordinance, not the proposed ordinance changes. If they still do not comply, the new ordinance requirements will then be triggered and the property owner will have to bring the site up to the

new standards. He stated it is not that the City will be out looking for these sites, but he considered it “another tool in their toolbox”.

Councilwoman Schmidt inquired as to the time frame for an owner to bring their site into compliance before the new rules will apply.

Mr. McLeod replied they must come into compliance by mid-2017.

Councilwoman Schmidt questioned why the City is doing this, and she felt the proposed ordinances are very restrictive. She was concerned that adding more shrubs and trees in parking lots will end up restricting the views of motorists and pedestrians as that vegetation grows. She inquired as to whether industrial sites will be held to the same standards.

Mr. McLeod replied the frontage for industrial developments is held to the same standards as commercial. They would not be held to the same standards if they have parking in the back of the building. He replied to further inquiry that the requirement for white tents applies to festivals or temporary uses, and this has been a policy for a few years, which is now being proposed to be adopted into the ordinance. He clarified that tents used on residential properties are exempt from this requirement that they be only white.

Councilwoman Schmidt was concerned about the cost that will be imposed on businesses, and how the City will police it and enforce it, especially for current businesses. She did not feel it is necessary, and was concerned about more trees and shrubs in parking lots.

Councilwoman Koski questioned why the City would be more concerned with the front of the site than the borders of the property. She agreed with Councilwoman Schmidt about planting a lot of shrubs and trees in parking lots that will end up obscuring the views of cars. She questioned the burden that this will place on businesses. She questioned whether the required trees will be the type that lose their leaves because that can result in more clogged drains. She inquired as to whether these proposed amendments could be adopted as guidelines and not mandatory ordinances.

Mr. McLeod replied the City can adopt guidelines for any standard, and that is what the Planning Department has been doing for the last year with these requirements. He cautioned that if they are guidelines, they are not regulatory, so there could be no enforcement and they may not get compliance. He felt the proposed ordinance amendments provide flexibility in plant varieties. Trees along the frontage would be required to be leaf-bearing so that they will not block the view of businesses or hamper visibility for motorists and pedestrians. He added the proposed ordinance allows for more flexibility than the current requirements because this does not dictate where those trees have to be located in the front. Mr. McLeod addressed the concern of additional landscaping being required in the parking lots, and agreed if the wrong types of plants are selected, it will create a nuisance, but that is part of the landscape plan process. Evergreens in parking lots are prohibited because they create blind spots.

Councilman Skrzyniarz inquired as to what other cities have in place with regard to their landscape ordinance.

Mr. McLeod replied that many of the communities to the north and west have ordinances in line with what is being proposed. He stated the proposed amendments reflect the guidelines the Planning Department has been encouraging over the last year, and the majority of developers have complied. He added that it is not only what they have been applying, but it is the industry standard. He stated he has talked with developers, and they have no problem following the ordinances but they want to know what those regulations are.

Councilman Skrzyniarz felt they need to decide what they want the city to look like, not only today but ten, twenty or thirty years from now. He stated this is an opportunity for the city to design what they want to see in the future. He said the communities with similar ordinances in place are aesthetically-pleasing, and he does not see them being void of businesses. He was confident that developers will comply with the standards because Sterling Heights is a great and vibrant community. He explained that if these proposed ordinances are instead adopted as guidelines, there are developers who will not want to spend the additional money and their sites will not be up to the same standard, so they need laws to address this. He is interested in what the additional cost will be for the developers, but he is happy with the presentation tonight.

Councilwoman Ziarko stated she would like to see two or three existing developments with breakdown comparisons as to how much it would cost to

develop under the current ordinances, and how much it would cost under the new ordinance. She would like to see this information displayed in side-by-side columns. She added that they will need to install more bike racks at City Hall if this goes into effect. She thanked all who were involved in putting together this presentation.

Councilman Shannon stated he would like to see an example of the cost for landscaping under the old requirements compared to the cost under the new requirements, but he would also like to know the entire cost of developing the site to see what percentage would have to be spent on landscaping.

Mr. McLeod explained the costs are scalable to the size of the development. He stated the larger developments are better able to absorb the costs; however, smaller developments will not require as much landscaping so it is proportionate. He estimated to develop a 15,000 square foot shopping center, the landscaping may range between \$50,000 and \$75,000. He stressed they are not forcing any existing businesses to do this overnight, but it is a tool moving forward to get sites that are non-compliant to meet current requirements. He stated he will be glad to provide the information requested, but he cautioned a lot of the cost will depend on the site and how far out of compliance they are. He said they will pick two average sites.

Councilman Shannon stated the last thing he would want to do is to discourage development. He does not feel this ordinance will do that, but he would like to

see it quantified as to what percentage of the total cost of a development will have to be spent on meeting the requirements of the proposed amendments.

Mayor Taylor stated the City is trying to improve the standards for commercial development and he felt that is good. He added vibrant commercial areas bring in more business and attract more people to the area. He recalled discussions in the past as to complaints about the appearance of commercial developments and what the City could do to make commercial areas more aesthetically pleasing. They need to look at existing businesses to make sure they are not overly-burdened in meeting the requirements. He receives calls from developers asking him why the Planning Department is requiring them to meet certain requirements, but he was confident the businesses that are here will do it because they like being in Sterling Heights. He is in favor of the proposed ordinance amendments and was confident they will get it worked out.

Yes: All. The motion carried.

2. Mayor Taylor stated the City has been advised that the petitioner has requested postponement of this item.

Mr. Chris McLeod, City Planner, explained the applicant has requested postponement to October 18<sup>th</sup>, so it would be appropriate for the Council to postpone to that date.

Moved by Schmidt, seconded by Taylor, **MOVE** to postpone consideration of a map amendment to Zoning Ordinance No. 278 to conditionally rezone property

on the east side of Ryan Road, south of Nathan West, in Section 17 from R-60 to C-1, Case No. PZ15-1136, to the October 18, 2016 regular meeting.

Yes: All. The motion carried.

CONSENT AGENDA

3. Mr. Joe Judnick Item “C”, replacement of two cars, adding to the fleet? Whether the investigative vehicles are retired when the odometer reaches 80,000 to 100,000 miles? Item “E”, opposed to all tax abatements. Item “H”, bridge going over the Clinton River in Dodge Park, cost is over \$400,000, and whether the remainder of the cost is coming from a grant? How much the Department of Transportation is paying toward the bridge. Mr. Bill Dobran agreed with the purchase of the vehicles, claiming his life was saved many times with the aid of police, fire and EMS.

Moved by Koski, seconded by Romano, **RESOLVED**, to approve the Consent Agenda:

- A. To approve the minutes of the Regular Meeting of September 6, 2016, as presented.
- B. To approve payment of the bills as presented: General Fund - \$634,971.80, Water & Sewer Fund - \$3,268,621.71, Other Funds - \$2,973,104.44, Total Checks - \$6,876,697.95.
- C. **RESOLVED**, to approve the purchase of two police investigative vehicles at pricing available through the State of Michigan’s MiDeal cooperative

purchasing program, Contract No. 071 B1300010, at a total cost of \$46,482.

- D. **RESOLVED**, to waive the competitive bidding requirement in accordance with City Code 52-217(A)(9)(b) and purchase DSX Access System Upgrades from Weber Security Group, Inc., 95 South Rose Street, Suite A, Mount Clemens, MI 48043-2187, at a cost of \$56,391.45 and authorize a budget amendment to 43700700 (Capital Projects Fund) 975000 (Buildings & Improvements) from Self-Insurance Fund reserves for the purchase price.
- E. **RESOLVED**, to set a public hearing on Tuesday, October 18, 2016 at 7:30 p.m. regarding the application by DM Tool & Fab Inc. for an Industrial Facilities Tax Exemption Certificate at 6101 Eighteen-1/2 Mile Road.
- F. **RESOLVED**, to
- (A) Approve the change order in connection with repairs to the 48” storm sewer pipe at 42724 Pond View to effectuate the removal and replacement of an additional 100 L.F. of 48” storm sewer pipe in the amount of \$81,800; and
  - (B) Authorize a budget amendment to the Capital Project Fund using fund reserves in the same amount.
- G. **RESOLVED**, to

- (A) Approve the change order in connection with repairs to the 72” storm sewer culvert under Red Run Street, north of 14 Mile Road, to effectuate the installation of an end section and rip-rap erosion control in the amount of \$24,500; and
  - (B) Authorize a budget amendment to the Capital Project Fund using fund reserves in the same amount.
- H. **RESOLVED**, to approve contract, #16-5401 between the Michigan Department of Transportation and the City of Sterling Heights for the Dodge Park Shared Use Trail Bridge Over Clinton River, City Project #15-277, and authorize the Mayor and City Clerk to sign the contract on behalf of the City.

Yes: All. The motion carried.

#### CONSIDERATION

- 4. Moved by Romano, seconded by Ziarko, **RESOLVED**, to appoint Ms. Junina Jean to the Zoning Board of Appeals to a term ending June 30, 2019, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

Yes: All. The motion carried.

#### COMMUNICATIONS FROM CITIZENS

Mr. Parker – Communications from Citizens and voting on ballot issues.

Mr. Jeffrey Norgrove – accuracy of water bills.

Mr. Joel Thomas – citizens videotaping public meetings.

Ms. Jazmine Early – recent DPW event, upcoming Police Department training exercise expanded to include residents, Safe Street Millage and condition of roads, upcoming rally.

Mr. Joe Judnick – punch list items for the Van Dyke project, water bills.

Ms. Dolores Hatton – upcoming election and deadlines for registration and absentee ballots, water bills, millages.

Mr. Giulio Russo – impact of proposed ordinance amendments on small businesses, water bills.

Mr. Dennis White – Council remarks at the end of the last meeting.

#### REPORTS FROM CITY ADMINISTRATION AND CITY COUNCIL

Mr. Vanderpool stated that in regard to Item “H” of the Consent Agenda, the federal grant for the bridge installation is \$623,000, which covers more than 50% of the total cost.

Mr. Brian Baker, Finance Director, addressed the questions on the latest water and sewer bills. He explained the September bills covered the months of May, June and July, with June and July being much drier and hotter than the last four years, and the water rate is higher than it was four years ago. The weather has been the main factor in the higher water bills. He informed that citywide residential water consumption was up 235% over the prior quarter, with the usage this summer being 65% higher than last summer. He stated that 85% of the reason for the average higher bills was due to consumption and only 15% was due to the City having to pass on increases from the Great Lakes Water Authority and

the Macomb Public Works Office. He added that the costs from those two entities account for 80% of the City's costs. As far as the rates being passed on, the City is paying the \$50 million in lease payment, and the suburbs are paying for the unpaid Highland Park bills and that accounts for about 3.2%. He stated that 60% to 65% of the bills are for sewer, and those rates have gone up 120% from the Macomb Public Works in the last seven years. He said that even though the rates have gone up, the City's rates are still much lower than those of other communities, although he added everyone is experiencing these increases. Mr. Baker stated he looked at the bills of everyone who addressed their water bill concerns at the last meeting, and in all cases, the largest factor for the increase was higher usage. He understood the frustration of the residents, and stated there is a link on the website to enable residents to compare their consumption with that of the last four years. He suggested they look at 2012, which was also a dry summer. There is also information on a "Q&A" link that explains the reason for the higher bills. There will be an insert in the next water bill that will explain the rates, but he stated anyone can call the water billing office at (586) 446-2320 to confirm a reading, make sure the bill is accurate, and possibly obtain suggestions of ways to lessen consumption or determine if there is a leak, which happens infrequently. He reminded that off-peak usage lowers everyone's bills. They have decided to waive any late fees for the September and October bills so that people will be able to pay these larger summer bills all the way up until May, which is when they roll delinquent on the tax bill. He stated they have hired

additional staff to take calls. They offer budget billing that does not reduce any of the bill but keeps it more evenly divided throughout the year. They also offer the Water Residential Assistance Program (WRAP) for qualified low-income residents, with 40 to 45 residents currently taking advantage of that plan. He addressed the idea raised at the last meeting of dual meters, but explained the initial cost of the meter to the homeowner is \$400 to \$450 plus paying for the additional plumbing needed. He added it takes the average homeowner about five years to break even, and he cautioned that the eventual loss of revenue to the water and sewer system that could arise if a lot of residents take advantage of this would have to be made up in the way of increased water and sewer rates in order to pay the fixed rates for sewage services from the County. Mr. Baker stated a 25% summer discount is already given up to a maximum of \$26. That could be increased slightly but they would have to make up the revenue. He also clarified that adding the water and sewer rate increases together does not provide an accurate percentage of the increase, but they have to be averaged to determine the overall rate increase.

Mr. Kaszubski stated he has nothing to report.

Mayor Pro-Tem Romano stated Mr. Baker is an ally for Macomb County on the Great Lakes Water Authority. He stated in some cases, the double meter may be cost-effective for some, but he pointed out if everyone does it, the costs will rise. He questioned whether the City will be accepting partial payments on the outstanding water bills.

Mr. Baker replied that the City has extended payment through May 2017 for the September and October 2016 water bills, and partial payments can be made during that time.

Mayor Pro-Tem Romano stated property owners can contact the City if they still have questions about their bills. He explained that those residents who do not have dual meters are also paying for sewage when they water their lawns so they may want to water less to keep their bills down. He talked about the *ReCreating Recreation* ballot proposal and that the proposed average cost for a household will be \$63 per year, but he reminded that is for the first year, and as taxable values rise, that amount will go up slightly as well. He took the taxable values of his home, as well as those of his colleagues, and calculated their payments, noting that all of them would be more than the \$63 average, with his own being \$64 for the first year. He stated the ballot proposal is a twenty-year commitment.

Councilman Skrzyniarz stated at the last meeting he addressed the Communications from Citizens portion of the meeting, but clarified he never suggested changing their model of government. The seven-minute time allotment for residents to speak is one of the longest allowed in communities throughout the state. He had stated that Warren has a different system and have a different time allotted for the comment period. He added that the time could possibly be shortened to three or four minutes, or public comments could be heard at 7 p.m. for a half hour before the start of the meeting. He does not want to take anyone's

ability away to be able to talk about city business, but he noted there is a lot of non-city business being discussed.

Councilwoman Schmidt congratulated the DPW for their successful open house. She stated that even though it was a rainy day, they were able to move everything indoors, and her family is looking forward to next year's event. She said that DPW does not often get the recognition they deserve for clearing the streets in the winter and enabling safe water to reach everyone.

Councilwoman Ziarko suggested if they know ahead of time that an item will be postponed, it may be beneficial to make that announcement at the beginning of the meeting so that residents attending the meeting for that item do not have to sit for a long time. She stated with regard to the comments from citizens, she has no problem listening, but she is offended when people use the podium as a "campaign stop".

Mayor Taylor stated he would not be opposed to dual water meters, but he pointed out that the cost of the sewer system is spread over the entire system, so that total cost would be shared by those using the sewage system, resulting in higher costs. He encouraged residents to continue watering their lawns to keep them green. He thanked the residents who spoke tonight and he thanked the DPW for hosting their recent open house. He stated they do a great job and help to keep the city running smoothly. He informed that the first State of the City Address is scheduled for September 30<sup>th</sup>, and he as well as other stakeholders will be speaking.

UNFINISHED BUSINESS

There was no Unfinished Business discussed.

NEW BUSINESS

There was no New Business.

ADJOURN

Moved by Ziarko, seconded by Romano, to adjourn the meeting.

Yes: All. The motion carried.

The meeting was adjourned at 9:50 p.m.

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MARK CARUFEL, City Clerk

EXPENDITURES FOR THE MEETING OF  
October 4, 2016

	TOTAL PREPAYMENT LISTING	INTERFUND TRANSFERS	PROPERTY TAXES TO OTHER ENTITIES	EXPENSES & EXPENDITURES
GENERAL FUND	\$809,466.72			\$809,466.72
WATER & SEWER FUND	\$44,975.13			\$44,975.13
OTHER FUNDS	\$2,369,176.32		\$47,061.16	\$2,322,115.16
<b>TOTAL CHECKS</b>	<b>\$3,223,618.17</b>	<b>\$0.00</b>	<b>\$47,061.16</b>	<b>\$3,176,557.01</b>

BILL LISTING DETAIL IS AVAILABLE AT THE STERLING HEIGHTS PUBLIC LIBRARY



**Business of the City Council  
Sterling Heights, Michigan**

City Clerk's Use  
Item No: 5-C  
Meeting: 10/04/16

**AGENDA STATEMENT**

OMB AS03 Rev. 11/04

**Item Title:** To receive a report from the Purchasing Manager pursuant to City Code §2-221(B) regarding an emergency repair to the Fire Department's 2003 Sutphen aerial ladder truck (Total expenditure of \$12,011.31).

**Submitted By:** Office of Purchasing

**Contact Person/Telephone:** James Buhlinger, Purchasing Manager, (586) 446-2741

**Administration (initial as applicable)**



**Attachments**

	City Clerk	—	Resolution	—	Minutes
	Finance & Budget Director	—	Ordinance	—	Plan/Map
	City Attorney (as to legal form)	—	Contract	—	Other
	City Manager				

**Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office**

**Executive Summary:**

- City Code §2-221(B) requires that the Purchasing Manager file a report with the City Council regarding the circumstances giving rise to an emergency purchase.
- On Wednesday, June 22, 2016, during a preventative maintenance appointment at the Department of Public Works, Fleet Maintenance personnel discovered multiple stress cracks in the ladder bucket yoke installed on the 2003 Sutphen aerial ladder truck (#S03L03). The stress cracks were thought to be causing excessive stress/flexing to the bucket yoke assembly.
- Because the Fire Department relies on the aerial ladder truck for responding to all reported active fires in the City, Fleet Maintenance immediately contacted Apollo Fire Apparatus Repair to confirm the findings and, if necessary, effectuate emergency repairs. The aerial ladder truck was transported to Apollo Fire Apparatus Repair where mechanics proceeded to remove and replace the damaged yoke.
- The aerial ladder truck was returned to the DPW for a thorough inspection by Fleet Maintenance personnel. All work performed by Apollo Fire Apparatus Repair has passed inspection and the apparatus has returned to active service.
- The total cost for the emergency repairs rendered by Apollo Fire Apparatus Repair is \$12,011.31. This amount will be expended in the 2016/2017 fiscal year budget under 11744553 (Fleet Maintenance) 759000 (Parts & Sublet Services).

**Suggested Action:**

MOVED BY:

SECONDED BY:

**RESOLVED**, to receive the report of the Purchasing Manager pursuant to City Code §2-221(B) regarding an emergency repair to the Fire Department's 2003 Sutphen aerial ladder truck by Apollo Fire Apparatus Repair, 12584 Lakeshore Drive, Romeo, MI 48065 in the amount of \$12,011.31.

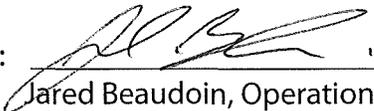


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## Interoffice Memorandum

Date: September 8, 2016

To: Jim Buhlinger, Purchasing Manager

From:   
Jared Beaudoin, Operations Manager

Subject: Emergency Purchase – Fire Apparatus Repair

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On June 22, 2016 during a routine preventative maintenance performed on the 2003 Sutphen aerial ladder truck, #S03L03, Department of Public Works mechanics discovered that the ladder bucket yoke had multiple stress cracks, causing excessive flexing and damage to the bucket. The City's local fire truck repair facility, Apollo Fire Apparatus Repair, determined that immediate repairs were necessary to prevent further damage to the bucket, ladder, and truck.

On June 28, 2016, Apollo Fire Apparatus Repair removed and replaced the damaged yoke on the bucket of S03L03 and returned the fire apparatus back to the City. Please see the attached repair invoice of \$12,011.31, which includes all parts and labor for this repair. The ladder truck was inspected by DPW mechanics, deemed fully operational, and immediately placed back into service.

With this emergency vehicle being the City's front line apparatus for firefighting, emergency repairs were made as quickly as possible to ensure that minimal downtime was observed. We request your approval of this emergency purchase in the amount of \$12,011.31.

The cost of this unbudgeted expenditure in the amount of \$12,011.31 was charged to the Fleet Maintenance – Parts and Sublet Services account #11744553-759000.

Reviewed and Approved:

  
Mark Vanderpool, City Manager

C: Michael Moore, Public Works Director

Apollo FireApparatus Repair

12584 Lakeshore Drive  
Romeo, MI 48065

# Invoice

MICHIGAN  
REGISTRATION  
NUMBER F144932

Date	Invoice #
6/30/2016	45968

Bill To
STERLING HGTS DPW 7200 EIGHTEEN MILE RD STERLING HEIGHTS, MI 48314 ATTN: TODD MACOVIS

Ship To
STERLING HGTS DPW 7200 EIGHTEEN MILE RD STERLING HEIGHTS, MI 48314 ATTN: FLEET MAINTENANCE

Rep	P.O. No.	Terms	Mileage/Hours	Truck #	Mechanic
WM	4505978517	NET 30	84623/6155	TRUCK 1	
Serviced	Item	Description	Qty	Rate	Amount
6/28/2016	REPAIR/SHOP	WORK ORDER 20174 REPLACE BUCKET YOKE REPLACE AUTO DRAIN VALVE ON YOKE	40	78.00	3,120.00
	10050605	YOKE 100' HR OLD STYLE 34-1/2 SIDEPLATE	1	8,645.00	8,645.00
	MISCELLANE...	REPLACEMENT BOLTS		69.00	69.00
	MISCELLANE...	PVC PIPE AND FITTINGS		6.71	6.71
	34AD	DRAIN AUTOMATIC	1	25.24	25.24
	MISCELLANE...	SHOP SUPPLIES		20.00	20.00
	MISCELLANE...	FREIGHT ON YOKE		125.36	125.36
<p>APPROVED PARTS! 11744553-759000 FLEET DIVISION 20160023 <i>Don Brown</i> JUL 13 2016</p>					
<p><b>-CERTIFICATION-</b> All parts and repairs listed were furnished in compliance with Michigan Auto Repair Act (P.A. 300) Company Authorized Representative</p>				<p><b>Sales Tax (6.0%)</b> \$0.00</p>	
				<p><b>Total</b> \$12,011.31</p>	
Phone #	Fax #	E-mail		Web Site	
586-752-6828	586-752-6907	ssoroka@apollofire.com		apollofire.com	



Business of the City Council
Sterling Heights, Michigan

DELIVERED SEP 29 2016

City Clerk's Use
Item No: 5-D
Meeting: 10/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To purchase construction and utility castings at unit pricing available through the Oakland County Cooperative Purchasing Program (Estimated annual expenditure of \$45,000).

Submitted By: Office of Purchasing

Contact Person/Telephone: James Buhlinger, Purchasing Manager, (586) 446-2741

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Name, Attachment Type, and Description. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager.

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

- The Department of Public Works (DPW) utilizes various cast iron products for the repair and construction of public utility structures...
In prior years, the Office of Purchasing has prepared and issued its own invitation to bid (ITB) for the purchase of construction and utility castings...
Oakland County awarded a bid to EJ USA in 2014 for 2" - 18" valves & associated parts, iron fittings, fire hydrants & related parts...
EJ USA has supplied these materials to the City for the past 40 years and has proven to be a reliable vendor.

**Suggested Action:**

MOVED BY:

SECONDED BY:

RESOLVED, to purchase construction and utility castings from EJ USA, Inc., 301 Spring Street, East Jordan, MI 49727, at unit pricing available through the Oakland County Purchasing Program, contract #004063, through February 28, 2017.

**CITY OF STERLING HEIGHTS**  
**STAFF REPORT**  
October 4, 2016

Prepared By: James Buhlinger, Purchasing Manager

Ext. No. 2741

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**GENERAL INFORMATION:**

It is estimated that the Department of Public Works (DPW) will expend \$45,000 annually for iron castings that are used in the construction and repair of water and sewer infrastructure, including catch basins and sewers.

Funds are budgeted annually in:

59956556 (Water Distribution),  
771000 (Fire Hydrant Parts),  
840000 (Water Main Repair), and  
841000 (Distribution Line Repair;  
59958558 (Sewer Collection),  
841000 (Distribution Line Repair); and  
11744770 (Parks & Grounds),  
837000 (Retention Pond Maintenance).

**STAFF ANALYSIS AND FINDINGS:**

Over the past 40 years, the City of Sterling Heights has purchased construction and utility castings from EJ USA, Inc., f/k/a East Jordan Iron Works, for use by the DPW. Since 2002, the Office of Purchasing has prepared and issued an invitation to bid (ITB) for the purchase of these items. In every case, a single vendor, being EJ USA, responded with a bid.

The DPW and Office of Purchasing personnel have undertaken efforts to identify another vendor within Michigan by searching the State of Michigan MiDeal contract listings and the City's MITN bid library. No other potential suppliers of construction and utility castings have been identified in Michigan. Shipping of these heavy metal castings from foundries located in other states is cost prohibitive.

In 2014, Oakland County awarded a cooperative bid for a wide selection of valves, fittings, hydrants, parts, hydrants, as well as manhole/catch basin frames and covers. Sterling Heights negotiated with Oakland County and EJ USA and secured permission to make purchases of construction and utility castings at unit pricing available under the Oakland County Purchasing Program contract. This contract expires in February, 2017, but Sterling Heights' future requirements will be added to Oakland County's future bid for construction and utility castings. This should assist in securing favorable pricing.

Recommendation is being made to purchase construction and utility castings at unit pricing available through the Oakland County Purchasing Program, contract #004063, through February 2017.

**STAFF RECOMMENDATION:**

Please see Suggested Action on the accompanying Agenda Statement

**Notification list:**

EJ USA, Inc.

301 Spring Street

East Jordan, MI 49727

Randy White, Sales Representative

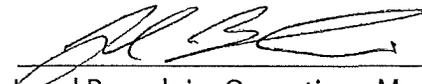
[Randy.white@ejco.com](mailto:Randy.white@ejco.com)



## Interoffice Memorandum

Date: September 16, 2016

To: Jim Buhlinger, Purchasing Manager

From:   
Jared Beaudoin, Operations Manager

Subject: Purchase Recommendation – Construction and Utility Castings

The Department of Public Works purchases catch basin structures, utility frames, utility covers, fire hydrants, and water valves for the Water and Sewer Divisions. The DPW utilizes these utility castings in the repair, replacement, and construction of the water and sewer systems. The DPW has purchased and installed East Jordan Iron Works castings throughout the City for well over 40 years.

The DPW currently purchases East Jordan Iron Works Castings through EJ USA, Inc., the exclusive manufacturer of East Jordan Iron Works castings:

EJ USA, Inc.  
301 Spring Street  
East Jordan, MI 49727  
Attn: Randy White

The DPW has had a very satisfactory relationship with EJ USA, and EJ USA is the incumbent for this contract. The DPW recommends purchasing construction and utility castings from EJ USA through the Oakland County Cooperative Purchasing Program. The DPW has purchased many products and services through the Oakland County Cooperative Purchasing Program with great success.

The total purchase price of construction and utility castings is \$45,000.00 with the funds budgeted in the following accounts:

- Water Distribution:
  - Fire Hydrant Parts (#59956556-771000)
  - Water Main Repair (#59956556-840000)
  - Distribution Line Repair (#59956556-841000)
- Sewer Collection:
  - Distribution Line Repair (#59958558-841000)
- Parks and Grounds:
  - Retention Pond Maintenance (#11744770-837000)

C: Michael Moore, Public Works Director  
Jim Nichols, Water Division Supervisor  
Jon Orzel, Sewer Division Supervisor



COMPLIANCE OFFICE  
PURCHASING

**Pamela Weipert, Compliance Officer**  
(248) 858-0997 | weipertp@oakgov.com

**COOPERATIVE PURCHASING PROGRAM**

The Oakland County Purchasing Division has developed an intergovernmental Cooperative Purchasing Program for use by other Michigan governmental entities and school districts for the procurement of goods and/or services from County contracted vendors who have agreed to extend the pricing, terms and conditions of their contracts with Oakland County. There is no cost to the participants or vendors for taking part in this program. The purpose of the program is to obtain lower overall costs for all participants by obtaining increased volumes and purchasing power.

Oakland County requires that participating vendors authorize the use of their contracts with the County in the cooperative purchasing program.

Once authorized, vendors agree to supply goods and/or services at the established County contract prices. All transactions will be conducted between the participating governmental entity and the contracted vendor. Orders will be submitted and invoiced, and payment will be remitted by the authorized units of government on a direct and individual basis in accordance with the pricing and terms of the contract.

Consequently, all vendors that would authorize the use of their awarded contracts are to indicate by checking the appropriate box below, whether **THEY WILL** accept orders resulting from the Vendor Quotation from authorized municipalities within Oakland County and surrounding counties.

Event Number: 002866

Contract Number: 004063

**BIDDER MUST CHECK ONE BOX BELOW**

**We WILL supply commodities and/or services from this contract to Oakland County government entities and school districts**

**We WILL NOT supply commodities and/or services from this contract to Oakland County government entities and school districts. We will supply to Oakland County Only.**

Company Name: EJ USA, Inc.

Authorized Signature: Thomas M. [Signature] Date: 9/12/16



EJ  
301 Spring Street  
PO Box 439  
East Jordan, MI 49727-0439

+1 231 536 2261  
800 874 4100  
ejco.com

July 1, 2016

Jared R. Beaudoin  
City of Sterling Heights  
7200 Eighteen Mile Rd  
Sterling Heights, Michigan 48310

Dear Mr. Beaudoin,

EJ is the leader in the design, manufacture and distribution of access solutions and municipal construction castings for water, sewer, drainage, telecommunications and utility networks worldwide.

EJ is sole manufacture of fire hydrants, gate valves, catch basins, and construction manhole frames and covers for the City of Sterling Heights. Specifying EJ products ensures continued interchangeability with current products.

In our 130+ years of experience and knowledge has built a reputation for high quality products that meet or exceed local specifications. We are proud to be an American manufacturer with headquarters in East Jordan, MI. The Detroit Branch will assist you with your supply of this product or any other information you may require. Please contact Randy White or Pat Pietsch at 248 546 2004.

Best regards,

EJ USA, Inc.

John Hunter  
Marketing & Michigan Sales Manager

cc: Randy White, Sales Representative  
Pat Pietsch, Branch Manager



800 626 4653  
ejco.com

# Quotation

B I D  F O R	Oakland Co (WRC) Water Attn: Justine Gunn 22430 W 8 Mile Rd Southfield, MI 48033		B R A N C H	Detroit Branch EJ 13001 NORTHEND AVENUE OAK PARK, MI 48237  800 231 3549	
	2/11/14 Bid ID: 5319128 BID FOR ALL MATERIAL - 2014-2017 Page 1				
Quantity	UOM	Product / Description	Unit Price		
<b>PRICES GOOD 03/01/14 TO 02/28/17</b> <b>CONTRACT NUMBER #4063</b>					
VALVES					
1	EA	# 25022 EJ 4RW15 MJTPG VLV OR	449.85		
1	EA	# 25032 EJ 6RW15 MJTPG VLV OR	634.99		
1	EA	# 25042 EJ 8RW15 MJTPG VLV OR	942.73		
1	EA	# 25052 EJ 10RW15 MJTPG VLV OR	1,433.18		
1	EA	# 25062 EJ 12RW15 MJTPG VLV OR	2,143.68		
1	EA	# 25072 EJ 16RW15 MJTPG VLV OR	5,595.94		
1	EA	# 22002 EJ 2RW12 MJ VLV OR	228.17		
2" RW PARTS					
1	EA	00944001 2RW1 BON DI	44.00		
1	EA	00944004 2RW3 WEDGE RUB CVED	48.54		
1	EA	00944007 2RW7 DI SEAL PLT	14.68		
1	EA	00944009 2RW13 THRUST WSHR DELRIN	.76		
1	EA	00944011 EJIW 2RW10 OP NUT OR	11.96		
1	EA	00944013 2RW11 STEM NUT OR	11.44		
1	EA	00944016 2RW12 O-RG STEM OR ASY	38.40		
1	EA	00944022 2RW2-2 DI MJ VLV BODY	38.78		
1	EA	0094431 EJ 6RW16 OP NUT CAP PLUG	.76		
1	EA	00981061 BLT HX 3/8-16X1 SS	1.23		
QUOTATION - EJ USA, Inc. Terms and Conditions apply. Material takeoff quantities not guaranteed. Price subject to change.					



800 626 4653  
ejco.com

# Quotation

<b>B I D F O R</b>	Oakland Co (WRC) Water Attn: Justine Gunn 22430 W 8 Mile Rd Southfield, MI 48033	<b>B R A N C H</b>	Detroit Branch EJ 13001 NORTHEM AVENUE OAK PARK, MI 48237  800 231 3549
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2/11/14 Bid ID: 5319128 BID FOR ALL MATERIAL - 2014-2017 Page 37

Quantity	UOM	Product / Description	Unit Price
1	EA	00903017 6"X24 MJ SSB SWIVXSOL HYD ADP W/O	191.97
1	EA	00104610 1046Z FRAME 4"	171.95
1	EA	00946505 EJ 6BR35 CNVRSN SEAT KIT AD	320.89
1	EA	00946539 EJ BR45A NONBRK STM CPL 4.75	41.43
1	EA	00946804 EJ N-2 1/2 4 HOSE NOZ	46.75
1	EA	00946015 EJ N-4 1/2 5LC PUMP NOZ	76.50
1	EA	00946561 EJ 4-1/2" PUMP NOZ GKT	6.15
1	EA	00946929 EJ C4 1/2-5B PUMP NOZ CAP	69.16



**Business of the City Council  
Sterling Heights, Michigan**

DELIVERED SEP 29 2016

City Clerk's Use  
Item No: 5-E  
Meeting: 10/4/16

**AGENDA STATEMENT**

OMB A503 Rev. 11/04

**Item Title:** To approve an Interlocal Agreement between the City of Sterling Heights and City of Warren for Reciprocal Lending of Municipal Fire Apparatus.

**Submitted By:** Sterling Heights Fire Department

**Contact Person/Telephone:** Chris Martin, Fire Chief (586) 446-2951 *CM*

**Administration (initial as applicable)**

**Attachments**

<i>MC</i> City Clerk	___	Resolution	___	Minutes
<i>AB</i> Finance & Budget Director	___	Ordinance	___	Plan/Map
<i>NK</i> City Attorney (as to legal form)	<u>X</u>	Contract	___	Other
<i>MV</i> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

**Executive Summary**

**Background** - The fire departments serving the City of Sterling Heights (Sterling Heights) and the City of Warren (Warren) are organized and function in a very similar manner. Both departments have multiple fire stations, with each station having a fire pumper engine in service 24/7. Both departments also maintain reserve apparatus to rotate into service as needed when front line apparatus are out of service for routine maintenance or repairs.

In Sterling Heights, for example, the fire department has five front line fire pumper engines and three in reserve. It is not infrequent for the fire department to have three fire pumper engines out of service at one time, leaving no buffer in the event another engine goes down. While the DPW mechanics do an exceptional job maintaining the fleet, issues can and do arise that cause lengthy down time. In the most extreme cases, the affected fire pumper engine must be transported to a vendor outside of Sterling Heights for specialized repairs. It is at these times that the delivery of emergency services can be compromised due to a lack of essential apparatus.

Another example is being played out in Warren where its fire department awaits the production and delivery of new fire pumper engines. During the extended build out of these new fire pumper engines, Warren's Fire Department has faced the prospect of not having enough road worthy apparatus to provide essential emergency services from all of its fire station locations.

**Solution** - The fire departments in Sterling Heights and Warren have an excellent working relationship and rely upon one another for mutual aid when called upon. The real beneficiaries of this relationship are the residents and businesses of the respective communities who are assured that the necessary resources are available when needed to respond to an emergency, large or small.

In order to ensure that each fire department can maintain in-service fire apparatus to serve their communities at all times, the Fire Chiefs from Sterling Heights and Warren negotiated the proposed Interlocal Agreement for Reciprocal Lending of Municipal Fire Apparatus (Agreement). The advantages of this Agreement include the following:

1. In a situation when a fire department is down a fire pumper engine, it can *immediately* fill the void by borrowing an apparatus from the other department. This assures that each fire station has the necessary apparatus to provide emergency services when called upon.
2. The Agreement provides a “no cost” solution. The purchase of a new fire pumper engine is a substantial financial commitment and to have an ability to fill a void when necessary without incurring such cost is very beneficial. This is yet another example where intergovernmental cooperation yields economic efficiencies.
3. The Agreement is reciprocal, meaning each community shares the identical rights and duties in the temporary exchange of fire apparatus. The Agreement further allows either fire department to deny the request in circumstances where lending an apparatus might jeopardize the department’s own emergency response.

Legal representatives, risk managers, and insurance administrators from both communities had input into the development of the Agreement. The Agreement has the full support of the Sterling Heights Fire Chief and his command staff as it is seen as a way to be fully prepared to handle the rare circumstance where the fire department is without its full complement of operational fire pumper engines.

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

RESOLVED, to approve the Interlocal Agreement between the City of Sterling Heights and the City of Warren for Reciprocal Lending of Municipal Fire Apparatus and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

## **INTERLOCAL AGREEMENT FOR RECIPROCAL LENDING OF MUNICIPAL FIRE APPARATUS**

This Interlocal Agreement for Reciprocal Lending of Municipal Fire Apparatus (“Interlocal Agreement”) is made on \_\_\_\_\_, 2016 between the City of Warren, a Michigan municipal corporation, whose address is One City Square Warren, Michigan, 48093 (“Warren”) and the City of Sterling Heights, a Michigan municipal corporation, whose address is P.O. Box 8009, 40555 Utica Road, Sterling Heights, Michigan 48311-8009 (“Sterling Heights”). Since either Warren or Sterling Heights may be the Lending Municipality or Requesting Municipality at a particular time during the term of this Interlocal Agreement, Warren or Sterling Heights may be referred to as the “Municipality” from time to time in this Interlocal Agreement, and both together may be referred to as the “Municipalities”. When Warren is the Municipality requesting use of Fire Apparatus owned by Sterling Heights, the term “Requesting Municipality” shall mean Warren and the term “Lending Municipality” shall mean Sterling Heights; when Sterling Heights is the Municipality requesting use of Fire Apparatus owned by Warren, the term “Requesting Municipality” as used in this Interlocal Agreement shall mean Sterling Heights and the term “Lending Municipality” shall mean Warren.

### **RECITALS**

A. Warren and Sterling Heights are Home Rule Cities created under the Michigan Home Rule Act, which each operate a city fire department.

B. The Michigan Constitution of 1963, Article 7, § 28 (“Constitution”), and the Urban Cooperation Act of 1967, MCL 124.501 *et seq.* (“Act”) authorize a political subdivision to exercise jointly with another political subdivision any power, privilege, or authority which such political subdivisions share in common and which each might exercise separately.

C. The Act provides that an inter-local agreement may, among other things, provide for the acquisition, ownership, custody, operation, and maintenance of personal property, which includes various fire apparatus, defined to include fire vehicles, fire equipment and tools (“Fire Apparatus”).

D. Warren and Sterling Heights have entered into mutual aid agreements by which their respective fire departments have agreed to come to the mutual aid of the other department in the event of need for fire, EMS, and certain specialized operations.

E. Warren or Sterling Heights may have one or more Fire Apparatus out of service due to needed Maintenance or repair (“Maintenance”), causing a shortage of available Fire Apparatus to provide customary emergency fire department response within the Municipality.

F. Warren and Sterling Heights are interested in entering into an agreement under which a particular Municipality is in need of an additional Fire Apparatus, which includes vehicles, fire equipment and tools, while its existing Fire Apparatus is out of service for Maintenance (the “Requesting Municipality”) may borrow an available Fire Apparatus from the other Municipality (the “Lending Municipality”) while the Requesting Municipality’s Fire Apparatus is out of service under the terms and conditions of this Interlocal Agreement.

G. Warren and Sterling Heights wish to set forth their agreement with respect to the reciprocal lending and use of reserve Fire Apparatus by the Lending Municipality and the Requesting Municipality respectively.

H. The parties do not intend to establish a separate legal or administrative agency under Section 7(1) of the Urban Cooperation Act, MCL 124.501, et seq., and have not therefore provided for or otherwise established an agency under this Agreement.

THEREFORE, Warren and Sterling Heights agree as follows:

1. *Lending of Available Reserve Fire Apparatus.* Warren and Sterling Heights agree to loan reserve Fire Apparatus deemed by the Lending Municipality to be available at the time of the request in the Lending Municipality's sole discretion to the Requesting Municipality while the Requesting Municipality's Fire Apparatus is out of service for Maintenance, subject to the terms and conditions of this Interlocal Agreement. The Requesting Municipality may make a request for use of the Lending Municipality's reserve Fire Apparatus only if the Requesting Municipality (i) has a shortage of available Fire Apparatus to provide customary coverage within the boundaries of the Requesting Municipality to enable the Requesting Municipality to adequately respond to fire and other emergencies while its Fire Apparatus is being maintained and/or repaired, and (ii) needs the use of the requested Fire Apparatus for a period of more than one day. The Lending Municipality will make a good faith effort to accommodate the Requesting Municipality based upon availability of its reserve apparatus, as determined in the sole discretion of the Lending Municipality.

2. *Term of Interlocal Agreement; Termination by Lending Municipality; Recall of Fire Apparatus by Lending Municipality.* The term of this Interlocal Agreement shall be for an initial one year term beginning on the date that this Interlocal Agreement is executed by the last Municipality executing it, unless terminated sooner. The term may be renewed annually upon mutual consent of the Fire Commissioner for Warren and the Fire Chief for Sterling, provided the total term does not exceed five years, including the Initial Term. Beyond the first five years, the agreement may be renewed with consent of the Parties' local governing body. Unless renewed, this Agreement will terminate automatically upon expiration of the initial or renewal term.

Either Municipality may terminate this Interlocal Agreement for any reason or for no reason by providing thirty (30) days written notice to the other Municipality. In addition, the Lending Municipality may terminate this Interlocal Agreement immediately upon written notice if the Requesting Municipality breaches a material term of this Interlocal Agreement (such as, but not limited to, allowing an unauthorized person to operate the Fire Apparatus, or using the Fire Apparatus for purposes beyond the scope of this Interlocal Agreement). In such cases, the notice of termination may be given immediately upon written notice from the terminating party's Fire Commissioner for Warren, or Fire Chief for Sterling to the non-terminating Party, upon such notice the Requesting Municipality shall return the Fire Apparatus in the required condition as soon as reasonably possible following completion of the incident for which it is currently being used.

Notwithstanding any other provision of this Interlocal Agreement, the Lending Municipality may recall Fire Apparatus that has been loaned to the Requesting Municipality due to the then current needs of the Lending Municipality by notifying the Fire Chief or Fire Commissioner of the Requesting Municipality verbally or in writing. If the Lending Municipality makes such a recall

request, the Requesting Municipality shall return the Fire Apparatus as soon as reasonably possible, following completion of the incident for which it is currently being used.

3. *Required Approvals.* The Requesting Municipality shall be responsible for obtaining and maintaining throughout the term of this Interlocal Agreement all licenses, permits, certificates, and governmental authorizations for its employees and agents necessary to perform all of its obligations under this Interlocal Agreement, including, but not limited to, obtaining any licenses required from the Michigan Secretary of State.

4. *Delivery of the Lending Municipality's Fire Apparatus by Lending Municipality; Acceptance in "As Is Where Is" Condition.* The Lending Municipality agrees to make the reserve Fire Apparatus deemed available for use by the Requesting Municipality available for pickup by the Requesting Municipality upon the request of the Requesting Municipality, unless the Lending Municipality declines the request. The Fire Apparatus shall be equipped with a full complement of hose, nozzles and various adapters, equipment as identified in Exhibit A (if so equipped and labeled), and other items determined prior to execution of this Interlocal Agreement and itemized on an attachment to this Interlocal Agreement. The Lending Municipality shall disclose to the Requesting Municipality any known issues relating to the functionality of the Fire Apparatus on or before making the Fire Apparatus available for pickup ("Lending Municipality Disclosure"). In all instances, the Lending Municipality delivers the reserve Fire Apparatus for pickup in "as is where is" condition, and the Lending Municipality makes no representations or warranties to the Requesting Municipality as to the condition or operability of the reserve Fire Apparatus except as disclosed in the Lending Municipality Disclosure. The Municipalities shall do an inspection of the Fire Apparatus in the presence of Fire Department personnel of both Municipalities before possession of the Fire Apparatus is delivered and immediately after it is returned to document the condition of the Fire Apparatus. By taking possession of the reserve Fire Apparatus, the Requesting Municipality acknowledges that it has had an opportunity to inspect the reserve Fire Apparatus prior to taking possession, finds it in acceptable condition, and accepts it in "as is where is" condition. The Municipalities may mutually agree to forego these pre-delivery conditions in the case of emergency circumstances where both Municipalities acknowledge that immediate public safety needs warrant delivery of the Fire Apparatus without satisfying these pre-delivery conditions.

5. *Operation of the Lending Municipality's Fire Apparatus by the Requesting Municipality's Employees.* The Requesting Municipality agrees that it will allow operation of the Lending Municipality's reserve Fire Apparatus only by currently licensed employees of the Requesting Municipality's Fire Department with good driving records, properly trained to operate similar Fire Apparatus. "Good Driving Record" shall mean a driving record which contains no convictions for offenses within the past five (5) years for (a) any driving offense which constitutes a felony, (b) operating under the influence of liquor or drugs, or impaired driving as a result of alcohol or drugs, (c) reckless driving or careless driving, (d) driving on a revoked or suspended license arising from excessive points or conviction for an offense with a mandatory revocation or suspension, or (e) having an accumulation of more than four (4) [or some other agreeable number] points in the past two years on his/her driving record. "Proper Training" shall mean either (a) having a current valid Michigan Commercial Driver's License (CDL) with Group A endorsement or (b) completing and maintaining compliance with the driver's training standards of the Michigan Firefighters Training Counsel currently furnished in a program offered by VFIS. The Requesting Municipality shall not permit any volunteers, firefighter or EMS employees-in-training, or members of the public who are not qualified personnel of the Requesting Municipality's Fire Department to

operate, get on, or ride on or in the Lending Municipality's Fire Apparatus. The Requesting Municipality shall be permitted to use the Lending Municipality's Fire Apparatus only for functions related directly to Fire Department runs, emergency and non-emergency incident responses, including fire, emergency medical service, Haz-Material incidents and technical rescues, and not for any public display or events.

6. *Payment of Employee Compensation for the Requesting Municipality's Employees Operating the Lending Municipality's Fire Apparatus; Costs.* The Requesting Municipality shall be responsible for all costs of its own personnel while operating or riding on or in the Lending Municipality's Fire Apparatus, including, but not limited to, salaries, wages, state and federal payroll taxes, workers disability compensation insurance, unemployment insurance, other fringe benefits, and any other costs associated with such individuals' employment. Because this is a reciprocal agreement, neither Municipality shall bill the other Municipality for use of the Lending Municipality's Fire Apparatus except as otherwise provided in this Inter-local Agreement.

All personnel, resources, equipment and services contemplated under this Agreement will be furnished at the expense of each respective Party owning the Fire Apparatus and supplies, and employing the personnel, except as otherwise provided in this Agreement. No party will be held responsible for the costs incurred by the other Party, or be entitled to compensation for assistance provided to the other Party.

7. *Operating Costs of Lending Municipality's Fire Apparatus; Maintenance and Repair of Lending Municipality's Fire Apparatus; Risk of Loss.*

a. The Requesting Municipality shall be responsible for maintenance costs associated with or relating to operation of the Lending Municipality's Fire Apparatus while in the possession of the Requesting Municipality, including fuel, oil, lubrication, apparatus washing, and other maintenance and repair expenses related to the Lending Municipality's Fire Apparatus. The Lending Municipality shall deliver the Fire Apparatus with a full tank of fuel and the Requesting Municipality shall return the Fire Apparatus at the end of the term (or when it is recalled) with the same amount of fuel as when possession of the Fire Apparatus was delivered. The requirement of delivery and return of the Fire Apparatus with a full tank of fuel may be waived by the Municipalities in the case of emergency circumstances. Notwithstanding this section or elsewhere in this Agreement, each Municipality is responsible for its own inspection costs, license fees and certification and regulatory compliance costs.

b. The Requesting Municipality agrees to maintain and repair the Lending Municipality's Fire Apparatus during the term of this Interlocal Agreement in as good as condition as it was when delivered, mileage and reasonable wear and tear expected. Excess wear includes cracked or damaged glass, damaged body, trim, frame suspension, engine, powertrain, or other mechanical parts, damaged paint, missing equipment or parts that were in or on the Lending Municipality's Fire Apparatus at the time it was delivered, a tire which is unsafe or which does not meet the manufacturer's recommended specifications (or equivalent) as compared with the tires on the Lending Municipality's Fire Apparatus at the time of delivery, a damaged or worn brake, oil leaks, a malfunctioning electrical system, battery, lights, or siren, any malfunctioning specialized equipment associated with the Lending Municipality's Fire Apparatus, or any other condition which makes the Lending Municipality's Fire Apparatus run in a rough, improper, unsafe condition, or any other damage, whether or not insurance covers it. The Municipalities shall do an inspection of the

Fire Apparatus in the presence of Fire Department personnel of both Municipalities immediately after it is returned to document the condition of the Fire Apparatus upon its return.

c. When the Requesting Municipality takes possession of the Lending Municipality's Fire Apparatus, the Requesting Municipality assumes all risks of loss of the Fire Apparatus and of damage to it.

8. *Return of Lending Municipality's Fire Apparatus.* At the time this Interlocal Agreement terminates as a result of expiration or earlier termination, whichever occurs first, or at the end of any extension term as provided in this Interlocal Agreement, the Requesting Municipality shall deliver the Lending Municipality's Fire Apparatus to the Lending Municipality in clean condition and in as good as condition as when it took possession, mileage and reasonable wear and tear excepted. Excessive wear and tear is defined in Section 7b. The Requesting Municipality and Lending Municipality shall jointly inspect the Lending Municipality's Fire Apparatus when the Lending Municipality's Fire Apparatus is returned to determine whether there are any defects or damages to the Lending Municipality's Fire Apparatus that occurred during the time the Requesting Municipality had use of the Fire Apparatus for which it is responsible, and prepare written documentation regarding any damages or defects which occurred during the time period that the Requesting Municipality had custody of the Lending Municipality's Fire Apparatus. The Municipalities may make a video recording of the exterior condition of the Lending Municipality's Fire Apparatus at the time it is returned to document whether there are any exterior defects or damages to the Lending Municipality's Fire Apparatus that occurred during the time the Requesting Municipality has had possession of it. The Lending Municipality shall obtain a written estimate of the cost to have the noted defects or damages repaired and forward it to the Requesting Municipality for payment. The Requesting Municipality shall remit payment within thirty (30) days of the date of delivery of the estimate. Notwithstanding Paragraph 4, above, the Lending Municipality is responsible for ensuring that the equipment it lends under this Agreement is currently licensed, and has satisfied all annual inspections and/or certifications as required by law.

9. *Attorney Fees; No Need for Signed Agreement Upon Each Lending of Fire Apparatus.* The Municipalities shall document each lending of the Lending Municipality's Fire Apparatus to the Requesting Municipality, but such transaction shall not require the execution of a new Interlocal Agreement provided this master Interlocal Agreement is still in effect. Each party shall be responsible for its own attorney fees incurred in the preparation or enforcement of this Agreement or amendments to this Agreement.

10. *Insurance of Lending Municipality's Fire Apparatus.* The Requesting Municipality shall not take possession of the Lending Municipality's Fire Apparatus under this Interlocal Agreement until it has provided the insurance required under this Section. All coverages shall be with insurance companies licensed and admitted to do business in the State of Michigan. All coverage shall be with insurance carriers and in a form acceptable to the Lending Municipality. If any coverage is written with deductibles or self-insured retentions, the Requesting Municipality shall be solely responsible for payment of such deductibles or self-insured retentions.

Each Municipality shall procure and shall maintain during the term of this Interlocal Agreement, Worker's Compensation Insurance for all of its employees operating or riding on or in the Lending Municipality's Fire Apparatus pursuant to this Interlocal Agreement.

The Requesting Municipality shall procure and maintain during the term of this Interlocal Agreement insurance coverage with the limits, types and form as set forth in the insurance certificate attached as Exhibit A.

Each Municipality shall be solely responsible for any and all Michigan No-Fault claims arising out of the operation, maintenance or use for the Lending Municipality's Fire Apparatus while in the care, custody or control of the Requesting Municipality. Such claims shall include, but not be limited to, personal protection insurance, personal injury protection benefits, property protection insurance, property benefits, residual liability insurance, and mini-tort.

The Lending Municipality shall be named as Additional Insured on all insurance policies required under this Interlocal Agreement, with the exception of Worker's Compensation.

Sterling Heights shall provide a Certificate of Insurance from the Michigan Municipal Risk Management Authority listing within the scope of protection / covered contract the following:

City of Warren, City of Warren Downtown Development Authority and the City of Warren Building Authority, and their officers, employees, boards, commissions, agents and volunteers pursuant to the following Covered Contract: Interlocal Governmental Agreement For Parks and Recreation Services Between the City of Sterling Heights and the City of Warren.

The City of Warren's insurance shall name Sterling Heights as Additional Insured and state:

"It is understood and agreed that the following shall be insureds: The City of Sterling Heights, including all elected and appointed officials, all employees and volunteers, all Boards, Commissions and/or Authorities and their board members, employees and volunteers."

Any Certificate(s) of Insurance shall name the other Municipality as an additional insured. Sterling Heights and Warren shall provide to each other 30 days advance written notice of cancellation or non-renewal of their insurance coverage.

Either Municipality may request a copy of said proof of insurance at any time during this Agreement. Failure to produce proof of insurance within twenty (20) days of a request by a Municipality shall allow the requesting Municipality to terminate the Agreement.

A lapse in the insurance coverage (or self-insurance) required under the Agreement shall be considered a material breach of this Agreement and the Agreement shall become null and void automatically at any time such a lapse in coverage exists.

The Requesting Municipality shall provide the Lending Municipality at the time this Interlocal Agreement in executed form is delivered, a Certification of Insurance, in the form reasonably requested by the Lending Municipality in an original form and two copies, properly completed and signed by an authorized insurance company representative certifying that the Requesting Municipality is in compliance with the insurance coverage and notice requirements as outlined above. The Requesting Municipality shall provide to the Lending Municipality upon written request a certified copy of any insurance policy required under this Interlocal Agreement. The purchase of insurance and the furnishing of a certificate of insurance shall not be a satisfaction of the Requesting Municipality's indemnification of the Lending Municipality.

## 11. Liability

Each Party will be responsible to assume its own liability attributed to the acts, omissions or conduct of such Party or such Party's own officers, employees while they are engaged in the control, use or operation of the other Party's Fire Apparatus under this Agreement.

Notwithstanding the above, To the extent allowed by law, the Requesting Municipality expressly agrees to indemnify and hold the Lending Municipality harmless against all losses and liabilities arising out of personal injury, bodily injury, or property damages based upon any act or omission, negligent or otherwise, of the Requesting Municipality or anyone acting on the Requesting Municipality's behalf in connection with or incident to this Interlocal Agreement or operation of the Lending Municipality's Fire Apparatus pursuant to this Interlocal Agreement, unless such injury or damage is caused by gross negligence or willful misconduct of the Lending Municipality, or its employees.

For the purposes of the indemnity and insurance provisions herein, the Requesting Municipality shall mean the Requesting Municipality, its elected and appointed officials, employees, and volunteers working on behalf of the Requesting Municipality; "losses and liabilities" shall mean loss, cost, expense, damage, liability or claims, whether groundless or not; "personal injury" shall mean false arrest, false imprisonment, malicious prosecution, assault and battery, libel, slander, defamation of character, discrimination, mental anguish, wrongful entry or eviction, violation of property or deprivation of any rights, privileges or immunities secured by the constitution and laws of the United States of America or the State of Michigan; "bodily injury" shall mean bodily injury, sickness or disease (including death resulting at any time therefrom), mental anguish, and mental injury; and "property damage" shall mean the damage or destruction of any property, including the loss of use thereof.

The Requesting Municipality's obligation to indemnify and hold the Lending Municipality harmless shall include, but not be limited to (a) the obligation to defend the Lending Municipality from any such suit, action or proceeding, and (b) the obligation to pay any and all judgments which may be recovered in any such suit, action or proceeding.

It is the intent of this agreement that the indemnification obligations will apply solely to actions or liability brought by a third party, and not to any action, claim, demand or suit made by the Lending Municipality.

Nothing in this Agreement shall be construed as a waiver of a Party's rights to assert governmental immunity as provided by the statute or court decision, or any other defenses to claims made by third parties.

This Agreement confers no rights or remedies on any third party, other than the parties to this Agreement and their respective successors and permitted assigns. This Agreement shall not be construed as creating a higher legal standard of safety or care with respect to third party claims.

No liability, right or benefit associated with any employer-employee relationship shall be implied by this Agreement. Nothing in this Agreement shall imply or create any duty or responsibility to comply with a collective bargaining agreement of another Party, or to create any right to insurance

or any other employment right of a Party's employee from another Party to this Agreement. No employee of any Party to this Agreement shall be deemed to have become an employee of another Party or to be covered by any insurance or pension plans of another Party due to the employee's participation in the performance of this Agreement.

Likewise, each Party shall be responsible for, and shall protect and/or hold harmless all other Parties from, any employment-related claims made by its personnel, including but not limited to claims related to worker's compensation, insurance rights or liabilities and unemployment compensation.

12. *Reporting of Injuries or Damages Relating to Operation of Lending Municipality's Fire Apparatus.* The Requesting Municipality shall report to the Lending Municipality's Fire Commissioner for Warren, and Fire Chief for Sterling, or his or her designate, any injuries or damages to persons or property arising from the operation of the Lending Municipality's Fire Apparatus by the Requesting Municipality or any of its employees, agents or any other person operating the Fire Apparatus verbally within twenty-four (24) hours of the time of the incident which gave rise to the injury or damages, including a description of the injury or damages, how the injury or damages occurred, the date and time of the incident giving rise to the injuries or damages, and the names and addresses of any individuals with any knowledge of the facts or circumstances which gave rise to the injury or damages, including any independent witnesses. This notice shall be given verbally within 24 hours of the time that the injury or damage took place or is known, and shall be confirmed in writing within 48 hours of that time.

13. *Notices.* Notice to this Interlocal Agreement shall be in writing and shall be personally delivered, sent by express delivery service, certified mail, or U.S. mail, postage prepaid and addressed to the persons below. Notice will be deemed given on the date when one of the following first occurs: (a) the date of actual receipt; (b) the next business day when notice is sent express delivery service or a personal delivery, or (c) three days after mailing by first class or certified U.S. mail. Provided, however, any request, renewal by the Fire Commissioner/Chief, each or response regarding the other Party's use of the other Party's Fire Apparatus, or recall of such use, may be communicated verbally or electronically at the numbers below.

**If to Warren:**

City of Warren  
Fire Commissioner  
23295 Schoenherr  
Warren, MI 48093  
(586) 756-2800 ext. 3100  
wmcadams@warrenfiredept.org

**If to Sterling Heights:**

City of Sterling Heights  
P.O. Box 8009  
40555 Utica Road  
Sterling Heights, MI 48311-8009  
Attention: Fire Chief

14. *Governing Law.* This Interlocal Agreement shall be governed, interpreted and enforced by the laws of the State of Michigan.

15. *Authority to Enter Interlocal Agreement; Binding Effect.* Each Municipality signing this Interlocal Agreement represents and warrants to the other Municipality that it has authority to execute this Interlocal Agreement on behalf of the Municipality for which it is signing and it is a binding obligation of the Municipality.

16. *Entire Interlocal Agreement; Modification or Amendment.* This Interlocal Agreement represents the entire Interlocal Agreement and understanding between the parties, and supersedes all other oral or written agreements between the parties with respect to this subject matter. This Agreement is not a “Mutual Aid Agreement” and does not supersede any prior agreement for mutual aid between the Parties. Any modifications, amendments, rescissions, waivers or releases to this Interlocal Agreement must be in writing and agreed to by all parties. Unless otherwise agreed, the modification, amendment, rescission, waiver or release shall be signed by the same individuals (or their successor) who signed the Interlocal Agreement or by other individuals designated by the Municipality’s chief administrative official.

17. Miscellaneous.

a. This Agreement may not be assigned, delegated or subcontracted without the express written consent of the other Party.

b. Each Party shall comply with all federal, state, and local laws, ordinance and regulations and codes applicable to its respective equipment, conduct or activities.

c. A waiver of a breach of any term of this Agreement will not be considered a waiver of a further breach of the same term or of any other term.

WARREN, a Michigan municipal corporation

By: \_\_\_\_\_

James R. Fouts

Its: Mayor

By: \_\_\_\_\_

Paul Wojno

Its: City Clerk

CITY OF STERLING HEIGHTS,  
a Michigan municipal corporation

By: \_\_\_\_\_

Michael C. Taylor

Its: Mayor

and

By: \_\_\_\_\_

Mark Carufel

Its: City Clerk



AGENDA STATEMENT

OMB AS03 Rev. 11/04

**Item Title:** To consider approval of an Interlocal Governmental Agreement for Parks and Recreation Programs between the City of Sterling Heights and City of Warren (Presentation - Kyle Langlois, Parks and Recreation Director).

**Submitted By:** Parks and Recreation Department

**Contact Person/Telephone:** Kyle Langlois, Parks and Recreation Director/446-2700

Administration (initial as applicable)

Attachments

<u>MC</u> City Clerk	___	Resolution	___	Minutes
<u>FB</u> Finance & Budget Director	___	Ordinance	___	Plan/Map
<u>MAK</u> City Attorney (as to legal form)	___	Contract	___	Other
<u>MV</u> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Introduction – In January, 2016, the City introduced *Recreating Recreation*, a new and innovative initiative to enhance the quality of life for residents of Sterling Heights by improving upon existing and creating exciting new parks and recreation opportunities within the City. In the course of developing *Recreating Recreation*, City Administration considered whether to incorporate a family lifestyle center that would feature fully-functioning aquatics and fitness centers. Unfortunately, there are a number of considerations that weigh against adding these centers, including:

- Cost – the construction and operational costs associated with an aquatics center are prohibitive and would materially increase the average cost to residents.
- Space – the available property on which to locate a new facility is limited and the inclusion of square footage devoted to aquatics and fitness centers would require additional land.
- Membership Fees – As is the norm in municipalities operating aquatic and fitness centers, the City would need to charge membership fees for residents wanting to access these recreational amenities. This would be inconsistent with the goal of *Recreating Recreation* of making parks and recreation opportunities accessible to all residents.

In the course of introducing *Recreating Recreation*, a number of swimming enthusiasts commented on the lack of an aquatics option and asked City Administration to reconsider. A smaller number of residents asked for the inclusion of a fitness center option. In response, City Administration has been diligently pursuing and vetting a number of aquatics and fitness center options that would fill this void in *Recreating Recreation* in an economical manner.

Interlocal Agreement for Parks and Recreation Services – The Parks and Recreation Departments for the cities of Sterling Heights and Warren have a history of collaboration in recreational programming. Importantly, the City of Warren successfully operates aquatics and fitness centers from the Warren Community Center situated at 5460 Arden, which is between Mound Road and Ryan Road, one-half mile south of 14 Mile Road. This location is in very close proximity to the southern municipal boundary of Sterling Heights.

The City of Sterling Heights and City of Warren have engaged in negotiations that have produced the attached Interlocal Governmental Agreement. The terms and conditions of the Agreement provide that:

- City of Sterling Heights residents will have access to the City of Warren Aquatic Center, which includes its water park, swimming pool, whirlpool, sauna, and related facilities, programs and activities, as well as its Fitness Center, at Warren resident rates;
- Reciprocally, Warren residents will continue to have limited access to various Sterling Heights' parks and recreation programs;
- The initial terms of the Agreement is five years, with an option to extend an additional five-year term;
- The consideration to be paid for granting of access to the City of Warren facilities is \$100,000 annually. The Agreement and the obligation to pay this annual amount is contingent upon the approval of the *Recreating Recreation* dedicated millage on November 8<sup>th</sup>.

This Agreement ensures that residents of Sterling Heights will have year-round access to an excellent aquatics center providing open swim, lap swimming, water exercise classes, the water park, water aerobics, weight and fitness training, and many other recreational programs at Warren's resident rates. For example, a daily pass to Warren's Aquatic Center is offered to non-Warren residents at \$10.00. Warren residents, however, are offered the same daily pass for \$5.00, and resident senior citizen admission is only \$2.00. Annual Memberships to Warren's Aquatic Center and Fitness Center are offered to Warren residents at \$199.00 for youths, \$230.00 for adults, and \$149.00 for seniors, while non-Warren resident rates are offered at substantially higher rates for the same membership (\$240.00 for youths, \$300.00 for adults, and \$240.00 for senior citizens). These substantial savings would be available to all Sterling Heights residents under this Agreement.

Recommendation – This Agreement provides Sterling Heights residents of all ages an excellent option for water recreation and fun. Many Sterling Heights families must seek out water parks in the summertime and typically pay a premium to do so. Through the Agreement with the City of Warren, a family of four can cool off in a safe and fun environment at a very reasonable (\$20.00) cost. The City of Warren offers excellent water recreation programs for seniors looking for a fitness regime that is low impact. The membership option also offers a myriad of recreational options.

Because this Agreement furthers the objectives of *Recreating Recreation* by providing Sterling Heights residents with new and innovative recreational opportunities as a very reasonable cost, City Administration is recommending approval.

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

RESOLVED, to approve the Interlocal Governmental Agreement for Parks and Recreation Programs between the City of Sterling Heights and City of Warren and authorize the Mayor and City Clerk to sign the Agreement on behalf of the City.

## CITY OF STERLING HEIGHTS STAFF REPORT

RE: Interlocal Agreement with the City of Warren

Prepared By: Kyle R. Langlois, CPRP, Parks and Recreation Director

### GENERAL INFORMATION:

Since January 2016, the City of Sterling Heights has been discussing and presenting plans to offer a comprehensive quality of life initiative to residents. In June, the City Council approved ballot language for *Recreating Recreation*, so that the residents have the opportunity to decide the future of Sterling Heights.

As the scope of *Recreating Recreation* has evolved, it was apparent that an aquatics center and fitness center would be cost prohibitive. However, many residents responded to *Recreating Recreation* with comments expressing a strong desire for these missing amenities, especially the aquatics center. So as not to compromise the functionality of the proposed community center, other amenities, or the minimized financial impact of the plan, it became imperative to find an alternate solution to satisfy the demand of the community.

In turn, the first step was for the Parks and Recreation Department to approach the Warren Parks and Recreation Department about the possibility of expanding the already existing service sharing agreement that was in place and continuing to capitalize on a successful partnership. The Sterling Heights Parks and Recreation Department has been working with the City of Warren for the past four years, offering reciprocal services through the respective Parks and Recreation Departments. The current arrangement allows Sterling Heights residents to take swimming lessons at Warren's resident rate since the Sterling Heights Parks and Recreation Department has not been able to offer swim lessons for a variety of reasons. In exchange, Warren residents have been able to participate in select classes through Sterling Heights Parks and Recreation at the stated resident rate.

Good faith negotiations proved fruitful and resulted in the proposed Interlocal Agreement for Parks and Recreation Services. This Agreement, which only becomes effective if the *Recreating Recreation* millage is approved on November 8, 2016, is the most fiscally responsible plan for affording Sterling Heights residents with an aquatics and fitness center option. Sterling Heights residents can access the Warren Community Center amenities at the same rates paid by residents of Warren. This represents a savings of 50% per person for any residents using the facility on a drop in basis, and a 15% savings for a family of four consisting of two adults and two children. In consideration for being granted access at resident rates, the City of Sterling Heights will make an annual payment of \$100,000 to supplement the funding gap resulting from eliminated non-resident fees.

In closing, this enhanced service sharing arrangement is a positive opportunity for the residents of both communities. Providing this viable, yet sustainable, solution to meet the demands of our residents and enhance quality of life in the city is a prime example of innovating living in Sterling Heights.

**INTERLOCAL GOVERNMENTAL AGREEMENT FOR  
PARKS AND RECREATION SERVICES BETWEEN THE  
CITY OF STERLING HEIGHTS AND THE CITY OF WARREN**

This Interlocal Governmental Agreement dated this \_\_\_\_ day of \_\_\_\_\_, 2016, made between the City of Sterling Heights, a Michigan municipal corporation, whose address is P.O. Box 8009, 40555 Utica Road, Sterling Heights, Michigan 48311-8009 (referred to as “Sterling Heights”) and the City of Warren, a Michigan municipal corporation, whose address is One City Square, Warren, Michigan 48093 (referred to as “Warren”).

**RECITALS**

A. Sterling Heights and Warren are Michigan home rule cities (individually referred to as “Municipality” and collectively referred to as “Municipalities”) that are authorized separately by the Michigan Constitution and Michigan Statutes to own parks and operate parks and recreational programs.

B. Article 7, §28 of the Michigan Constitution of 1963 and the Urban Cooperation Act of 1967, Act No. 7 of the Public Acts of 1967, Ex. Sess., being MCL 124.501, et. seq. (the “Act”), authorize a political subdivision to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivision shares in common which each might exercise separately.

C. Sterling Heights and Warren have traditionally operated parks and recreation programs for residents of their respective Municipalities which are supervised and operated by individuals employed by each respective Municipality.

D. Sterling Heights does not currently own or operate a community swimming pool, aquatics center, or fitness center.

E. On November 8, 2016, the residents of the City of Sterling Heights will be voting on a proposed charter amendment for voter approval of a dedicated parks and recreation millage (“Parks & Recreation Proposal”). If approved, the millage will fund the Sterling Heights’ *Recreating Recreation* initiative that will deliver a diverse mix of seasonal and year-round recreational opportunities to the City of Sterling Heights’ residents, including the funding necessary to partner with another local municipality, such as Warren, to allow Sterling Heights’ residents to have access to a community aquatics center and related facilities for year-round water fun, exercise, and entertainment.

F. Sterling Heights would like to enhance the parks and recreation opportunities for its residents, and the most cost-effective means to do so is to offer them with access to certain Warren Parks and Recreation programs at rates offered to Warren residents, including membership to the Warren Aquatics Center (pool, whirlpool, and water park located at the Warren Community Center, 5460 Arden, Warren, Michigan) and fitness center, as well as classes and group activities related thereto, (which offerings are referred to in this Agreement as “Warren Programs”).

G. Sterling Heights has approached Warren regarding Warren's willingness to allow Sterling Heights' residents access to Warren's Aquatics Center and Fitness Center at the rates available to Warren residents, provided the Parks & Recreation Proposal is approved by the Sterling Heights electorate in the upcoming general election.

H. Pursuant to the Michigan Constitution, the Act, and the resolutions of their respective governing bodies, the Municipalities have the authority to enter into this Interlocal Governmental Agreement ("Agreement") that will allow the Municipalities' residents access to certain programs and amenities outlined herein at the rates offered to the other's residents on the terms set forth below.

Based upon the foregoing statements, the Municipalities agree to the following terms, conditions, representations, consideration and acknowledgments and mutually agree as follows:

1. *Representations Regarding Qualifications of Warren Parks and Recreation Personnel.* Warren represents and Sterling Heights acknowledges that Warren has recreation professionals with the qualifications, experience and abilities to offer and provide parks and recreation services in accordance with customary parks and recreation industry standards, including, but not limited to state certified lifeguards.

2. *Representations Regarding Qualifications of Sterling Heights Parks and Recreation Personnel.* Sterling Heights represents and Warren acknowledges that Sterling Heights has recreation professionals with the qualifications, experience and abilities to offer and provide parks and recreation services in accordance with customary parks and recreation standards.

3. *Provision of Parks and Recreation Programs to Other Municipality's Residents.* Upon approval of the proposed Parks & Recreation Proposal by the Sterling Heights electorate in November, 2016 and payment of the consideration provided below, Warren, through its Parks and Recreation Department, agrees to provide Sterling Heights residents full membership access and use of the Warren Aquatic Center and Fitness center (and related facilities) as well as access to all classes, programs and activities related thereto that are organized and operated under the City of Warren Department of Parks and Recreation programs to Sterling Heights residents at the rates applicable to Warren residents, and on the terms and conditions as set forth in this Agreement. It is expressly agreed that this Agreement shall be null and void and of no effect if the proposed Parks & Recreation Proposal is not passed by the Sterling Heights electorate in November, 2016.

4. *Programs to be Offered by Sterling Heights Parks and Recreation.* Sterling Heights Parks and Recreation will offer and provide Warren residents the following parks and recreation programs, if applicable, at the rates applicable to Sterling Heights residents, ("Sterling Programs"):

- Nature Center Classes (not including Birthday Parties)
- Sterling Coffeehouse
- Mother-Son Cookout

- Instructional Pom and Baton Dance Classes
- Senior Boys Basketball League (or comparable league)
- Additional offerings at the discretion of the Sterling Heights Parks and Recreation Director

5. *Terms of Offering; Classes and Programs.* Sterling Heights and Warren each agree to offer to residents of the other Municipality the parks and recreation programs specified in this Agreement upon the following terms:

a. Each Municipality may have one week of sign-up for offered parks and recreation classes and programs for its own residents prior to opening up sign-up by residents of the other Municipality, who will then have an additional one week of sign-up prior to those classes and programs being opened to other non-residents from different communities. (the "Sign-Up Period"). After the Sign-Up Period, participation in the classes and programs shall be offered on a first-come, first-served basis regardless of the applicant's residency.

b. Sterling Heights and Warren shall offer the classes and programs set forth in Sections 4 and 5 respectively of this Agreement to residents of the other Municipality at the same rates that are charged to their own respective residents.

c. Each Municipality shall be entitled to establish its own capacity for each class and/or program offered based upon funding resources and staff availability. Neither Sterling Heights nor Warren shall be required to add additional sessions or additional staff as a result of the offering and furnishing of parks and recreation programs to the other Municipality's residents pursuant to this Agreement.

d. This Agreement is administered by each Municipality's Director of Parks and Recreation, who shall have the right to add, reduce or eliminate the parks and recreation classes, programs and other activities and prices offered. However, nothing in this section should be construed so to allow a Municipality to exclude the other Municipality's residents from programs that are offered to its own residents, except due to a lack of capacity, after the Sign-Up Period, as referenced in this Section 5(c).

e. Each Municipality and its personnel shall not discriminate against any applicant, member, or participant in a parks and recreation program offering pursuant to this Agreement on the basis of race, color, national origin, religion, disability, age, sex, height, weight, or marital status.

f. Each Municipality shall operate and supervise the operation of any Parks and Recreation Program it offers in accordance with its ordinances, policies, rules and regulations adopted or applicable to such Municipality, without regard to the residency of the applicant or participant.

g. All participants in the parks and recreation programs offered pursuant to this Agreement shall comply with all applicable ordinances, policies, rules and

regulations of the program and any lawful orders of the personnel supervising the activities.

h. Each Municipality shall have the right to dismiss any participant of the parks and recreation program who fails to abide by any applicable ordinances, policies, rules and regulations of the program and any lawful orders of the personnel supervising the activities.

6. *Consideration.* As consideration for this Agreement and for the opportunity for Sterling Heights residents to become members and have full use of the Aquatic Center, Fitness Center and related facilities, described above, and additional Parks and Recreation programs that may be offered in the future at the rates offered Warren residents, Sterling Heights shall pay to Warren annually the sum of \$100,000.00 (“Annual Payment”), the first of which will be due on July 1, 2017, and on July 1 of each year thereafter during the term of this Agreement. Warren shall invoice Sterling Heights for each Annual Payment, with payment to be due from Sterling 30 days after receipt of the invoice, or July 1, whichever is later.

7. *Dispute Resolution.* All program issues or interpretations, disputes, or any other issues arising from services performed in Warren shall be resolved solely by the Warren Parks and Recreation Director or his/her designee. All program issues or interpretations, disputes, or any other issues arising from services performed in Sterling Heights shall be resolved solely by the Sterling Heights Parks and Recreation Director or his/her designee.

8. *Changes to the Programs Offered.* Sterling Heights and Warren agree that, upon request of Warren’s Director of Parks and Recreation or the Sterling Heights Director of Parks and Recreation, the Directors will meet to discuss reasonable changes to the scope of the shared Sterling Programs, and any issues regarding the Warren Programs, or the manner in which the respective programs are offered to their residents. Sterling Heights and Warren authorize their respective Director of Parks and Recreation to agree to changes to Section 4, pertaining to the programs offered and terms of offering programs, and such program changes shall be subject to the terms of this Agreement. All other changes to this Agreement shall be subject to approval of the governing bodies of the both Municipalities.

9. *Promotional Materials for Programs.* Each Municipality shall supply to the other all printed and digital materials that are required for promotion of parks and recreation programs that are to be offered pursuant to this Agreement.

10. *Compliance with Laws.* Each Municipality represents to each other and agrees that all services performed under the terms of this Agreement shall be performed in accordance with all appropriate and applicable state laws and regulations and industry standards.

11. *Term.* This Agreement shall remain in effect for an initial term of five years commencing July 1, 2017 and ending on June 30, 2022 (unless earlier terminated as provided in this Agreement), provided (a) the Parks & Recreation Proposal is approved by the Sterling Heights electorate in November, 2016 and (b) the first Annual Payment is made by Sterling Heights as provided for in Section 6 above. The Agreement may then be renewed for subsequent

five year period (individually referred to as “Renewal Term” or collectively as “Renewal Terms”), subject to consent of the governing bodies of both Municipalities. Sterling Heights, at its option, shall give Warren notice of its intention to renew the Agreement no later than 45 days prior to expiration of the Initial Term or the Renewal Term.

12. *Termination.*

- a. *Automatic Termination.* This Agreement shall automatically terminate in the event that Warren ceases the operation of its Aquatic Center. In the event that Warren should cease operations of its Aquatic Center, it shall reimburse to Sterling Heights its Annual Payment on daily pro-rata basis, computed from the day following the termination.
- b. *Optional Termination.* This Agreement shall be terminable with 30 days advance written notice by Sterling Heights, at its sole option, in the event that the Warren Aquatic Center is temporarily closed, inaccessible, or otherwise shut down or rendered inoperable for more than 90 calendar days as a result of Warren’s suspending operations of the Aquatic Center or operation of the Aquatic Center is suspended as a result of public health or safety concerns. In the event Sterling Heights should exercise its option under this section, Warren shall reimburse to Sterling Heights its annual payment on a daily pro-rata basis. Such pro-rata reimbursement will be computed from the day after the completion of the 30-day termination notice period. It is understood that any resident enrolled in a class, plan or program of the other City may continue to participate in such plan, program or class until the completion of the enrollment period, without incurring additional fees.
- c. Except as provided above, either Municipality party may terminate this Agreement if the other Municipality fails to comply with any of its obligations under this agreement, provided the non-breaching Municipality gives the breaching Municipality 30 days’ advance written notice and the opportunity to cure the non-compliance. Upon termination, Sterling Heights may be entitled to a prorated reimbursement of the annual payment offset by any damages owed as a result of the breach.

13. *Non-Exclusivity.* This Agreement shall not preclude the Municipalities from entering into similar agreements with other municipalities or governmental units for the furnishing of parks and recreation programs to their respective residents or offering resident rates for membership or access to facilities, provided that no other such municipality shall receive preferential or priority treatment over that of the parties with respect to admission to the Aquatic Center, or sign-up for programs or classes offered.

14. *Relationship of Municipalities.* The Municipalities acknowledge that at all times and for all purposes under the terms of this Agreement, there is no employer-employee relationship between the Municipalities. No liability, right or benefit associated with any

employer-employee relationship shall be implied by the terms of this Agreement or program offered under this Agreement. In addition, each Municipality is solely responsible for the means and methods of their own facilities, programs and services.

15. *Wages and Benefits; Workers Compensation Disability.* Each Municipality shall be responsible for the wages and fringe benefits of its employees and/or independent contractors. In addition, each Municipality shall be liable for disability and workers' compensation benefits, including derivative benefits, dependent benefits or other benefits related to disability and workers' compensation benefits, for its own employees and, if applicable, others working on its behalf.

16. *Privilege and Immunities.* All of the privileges and immunities from liability, and exemptions from laws, ordinances and rules, which apply to the activity of officers, agents, or employees of either Municipality shall apply to the same degree and extent to the performance of such functions and duties of such officers, agents or employees extraterritorially under the provisions of this Agreement.

17. *Liability.*

- a. Warren shall be liable for, defend, pay on behalf of, and hold harmless Sterling Heights, its elected and appointed officials, employees and others working for it from any claims, demands, suits, or loss of any nature, including, but not limited to, bodily injury or death and/or property damage, which arises out of, related to, or is in any way connected with the offering and operation of the Aquatic Center, Fitness Center, classes and/or recreational programs performed by its respective employees pursuant to this Agreement, except that the obligations set forth in this provision will apply only to claims made by third parties, and not to claims brought by the Municipality or their officers, employees, agents, or volunteers.
- b. Sterling Heights shall be liable for, defend, pay on behalf of, and hold harmless Warren, its elected and appointed officials, employees and others working for it from any claims, demands, suits, or loss of any nature, including, but not limited to, bodily injury or death and/or property damage, which arises out of, related to, or is in any way connected with the offering classes and recreational programs performed by its respective employees pursuant to this Agreement, except that the obligations set forth in this provision will apply only to claims made by third parties, and not to claims brought by the Municipality or their officers, employees, agents, or volunteers.

18. *Insurance, Self Insurance.* Each Municipality acknowledges that it is currently insured (or self-insured) with proper coverage and limits. Each Municipality agrees to keep its current insurance, or insurance of a similar nature, in effect during all dates of operation of the Aquatic Center, classes and programs for either Warren or Sterling Heights under this

Agreement. A Municipality may satisfy this insurance obligation by participation in an established self-insurance program.

19. *Certificate of Insurance or Self-Insurance.* Within ten (10) days from the execution of this Agreement, each Municipality shall provide proof of insurance (or self-insurance), acceptable to the other Municipality, demonstrating that general liability coverage is available for any and all claims for personal injury or property damage which are or might be caused by services performed by Warren or Sterling Heights on behalf of the other Municipality. Each Municipality agrees to keep said insurance coverage (or self-insurance) in full force and effect for the term of this Agreement or any renewals thereof. Each Municipality shall submit to the other Municipality, prior to the expiration of any insurance coverage, continuing proof of insurance acceptable to the other Municipality.

Sterling Heights shall provide a Certificate of Coverage from the Michigan Municipal Risk Management Authority listing within the scope of protection / covered contract the following:

City of Warren, City of Warren Downtown Development Authority and the City of Warren Building Authority, and their officers, employees, boards, commissions, agents and volunteers pursuant to the following Covered Contract: Interlocal Governmental Agreement For Parks and Recreation Services Between the City of Sterling Heights and the City of Warren.

The City of Warren's insurance shall name Sterling Heights as Additional Insured and state:

"It is understood and agreed that the following shall be insureds: The City of Sterling Heights, including all elected and appointed officials, all employees and volunteers, all Boards, Commissions and/or Authorities and their board members, employees and volunteers."

Each Municipality's Additional/Covered Insured language shall include the following:

For claims / lawsuits from Sterling Heights residents and arising from Warren's Aquatic Center, fitness center, classes and parks and recreation programs offered pursuant to this agreement, Warren's coverage shall be primary to Sterling Heights' coverage and not contributing with other insurance or similar protection available to Sterling Heights. Warren shall be solely responsible for payment of Warren's deductible or self-insured retention.

For claims / lawsuits from Warren residents and arising from Sterling Heights' classes and parks and recreation programs offered pursuant to this agreement, Sterling Heights' coverage shall be primary to Warren's coverage and not contributing with other insurance or similar protection available to Warren. Sterling Heights shall be solely responsible for payment of Sterling Heights' deductible or self-insured retention.

Any Certificate(s) of Insurance shall name the other Municipality as an additional insured. Sterling Heights and Warren shall provide to each other 30 days advance written notice of cancellation or non-renewal of their insurance coverage.

Either Municipality may request a copy of said proof of insurance at any time during this Agreement. Failure to produce proof of insurance within twenty (20) days of a request by a Municipality shall allow the requesting Municipality to terminate the Agreement.

A lapse in the insurance coverage (or self-insurance) required under the Agreement shall be considered a material breach of this Agreement and the Agreement shall become null and void automatically at any time such a lapse in coverage exists.

20. *Report of Claims, Injuries or Damages.* Each Municipality agrees that it will promptly deliver to the other Municipality written notice and copies of any claims, complaints, charges, or any other accusations or allegations of negligence or other wrongdoing, whether civil or criminal in nature that such Municipality becomes aware of and which involves its personnel and/or services its personnel have provided under this Agreement. Unless otherwise provided by law and/or the Michigan Court Rules, the Municipalities agree to cooperate with one another in any investigation conducted by the other Municipality of any acts or performances of any services under this Agreement.

21. *Notice.* Any written notice required or permitted under the Agreement shall be considered delivered to a Municipality as of the date that such notice is deposited, with sufficient postage, with the U.S. Postal Service. Unless specifically otherwise set out in the Agreement, all notices sent to Warren shall be sent to: Henry Bowman, City of Warren Director of Parks and Recreation, 5460 Arden, Warren, MI 48092, or to such other person designated by Warren in a writing sent to Sterling Heights in accordance with this provision. All notices sent to Sterling Heights shall be sent to: Director of Parks and Recreations, 40555 Utica Road, P.O. Box 8009, Sterling Heights, MI 48311-8009 with a copy to City Clerk, City of Sterling Heights, P.O. Box 8009, 40555 Utica Road, Sterling Heights, MI 48311-8009, or to such person(s) designated by Sterling Heights in a writing sent to Warren in accordance with this provision.

22. *Entire Agreement.* This Agreement sets forth the entire Agreement between the Municipalities. The language of this Agreement shall be construed as a whole according to its fair meaning and not constructed strictly for or against any party. The Municipalities have taken all actions and secured all approvals necessary to authorize and complete this Agreement.

23. *Severability.* If a Court of competent jurisdiction finds any provision of this Agreement invalid or unenforceable, then that provision shall be deemed severed from the Agreement. The remainder of this Agreement shall remain in full force.

24. *Governing Law.* This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan. Except as otherwise required by law or court rule, any action brought to enforce, interpret or decide any claim arising under this Agreement shall be brought in a court of law located in and whose jurisdiction includes Macomb County, Michigan.

25. *Incorporation of Recitals.* The Recitals shall be considered an integral part of this Agreement.

26. *No Implied Obligations.* Except as expressly otherwise provided, this Agreement does not create, by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right of indemnification (i.e., contractual, legal, equitable, or by implication), right of subrogation as to each Municipality's rights in this Agreement, or any other right of any kind in favor of any individual or legal entity.

27. *No Waiver.* No fact, failure or delay by a Municipality to pursue or enforce any rights or remedies under this Agreement shall constitute a waiver of those rights with regard to any existing or subsequent breach of this Agreement. No waiver of any term, condition, or provision of this Agreement, whether by conduct or otherwise, shall be deemed or construed as a continuing waiver of any term, condition, or provision of this Agreement. No waiver by either Municipality shall subsequently affect its right to require strict performance of this Agreement.

This Agreement is executed by the Municipalities on the dates set forth below.

CITY OF STERLING HEIGHTS, a  
Michigan municipal corporation

By: \_\_\_\_\_  
Michael C. Taylor, Mayor

By: \_\_\_\_\_  
Mark Carufel, City Clerk

Dated: \_\_\_\_\_, 2016

CITY OF WARREN, a Michigan municipal  
corporation

By: \_\_\_\_\_  
James R. Fouts, Mayor

By: \_\_\_\_\_  
Paul Wojno, City Clerk

Dated: \_\_\_\_\_, 2016



Business of the City Council  
Sterling Heights, Michigan

DELIVERED SEP 29 2016

City Clerk's Use  
Item No: 7  
Meeting: 10/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

**Item Title:** To consider approval of the distribution of the draft Master Land Use Plan to all required entities for review and comment (Presentation – Christopher McLeod, City Planner).

**Submitted By:** Stephano Militello, Secretary, Planning Commission

**Contact Person/Telephone:** Christopher McLeod, City Planner / 586-446-2384 *CPM*

Administration (initial as applicable)

Attachments

<i>MC</i> City Clerk	___	Resolution	<u>  x  </u>	Minutes
<i>AB</i> Finance & Budget Director	___	Ordinance	<u>  x  </u>	Plan/Map
<i>AK</i> City Attorney (as to legal form)	___	Contract	___	Other
<i>MV</i> City Manager				

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary

Over the course of the past nineteen (19) months, the Office of Planning has been engaged in the preparation of a new Master Land Use Plan for the city of Sterling Heights. The City's professional planning consultant, Wade Trim, has assisted in the research, public engagement, and drafting of the new Master Land Use Plan.

The goal of the Master Land Use Plan is to provide the City with a roadmap to continue to evolve itself and implement many of the broader visions established in the City's 2030 Visioning Plan. The concepts of the Master Land Use Plan rely heavily on placemaking principles and creating unique and lively places within the City. The Plan itself contains four (4) main sections; the technical background data ranging from the City's population and housing to the economic conditions of the City's office, commercial and industrial markets; the goals section which is derived from the 2030 Visioning Plan and the vast public input obtained, the Plan section itself which provides planning policies for all aspects of the City including placemaking nodes and potential Lakeside Village redevelopment plans, the final section is the implementation section which describes how the vast number of recommendations made within the Plan can be implemented.

The draft Master Land Use Plan is the product of significant public input that was procured through the following outreach:

- Three (3) visioning and community forum workshops that afforded residents and other interested persons with an opportunity to have direct input into future land uses in the City;
- Community Comment Map – Internet based, interactive map allowing residents and business owners to provide comments online.
- Formal presentations or discussions at at least six (6) Planning Commission meetings.
- The consulting team also worked closely with City administration and staff to review drafts of each section as they became available and incorporate comments as necessary.

The Michigan Planning Enabling Act, Public Act 33 of 2008, requires that the legislative body of the municipality approve the distribution of the draft Master Land Use Plan to the following entities for comment under a sixty-three day review period:

- The planning commission or, if there is not one, the legislative body of each municipality located within or contiguous to the City;
- The Macomb County Office of Planning and Economic Development (serving in the place of the County Planning Commission);
- Each public utility company and railroad company owning property or operating within the City;
- The Southeast Michigan Council of Governments (serving as the regional planning authority);
- A governmental agency that registers with the Secretary of the Planning Commission for the purpose of receiving the draft Master Land Use Plan for comment.

Following expiration of the sixty-three day comment period, the following steps in the approval process will remain:

- December, 2016 – City Council makes an election whether it or the Planning Commission will be the final approving body for the Master Land Use Plan. A notice is published at least fifteen days prior to the January public hearing before the Planning Commission to receive comment on the final version of the Master Land Use Plan.
- January, 2017 – Planning Commission conducts a final public hearing on new Master Land Use Plan. The Planning Commission can grant final approval of the new Master Land Use Plan if the City Council has elected to forego being the final approving body. Otherwise, the Planning Commission Secretary will submit the Master Land Use Plan recommended for approval by the Planning Commission to the City Council for final consideration, approval, or rejection.

If the City Council has objections, the Master Land Use Plan is remitted to the Planning Commission for revisions. The revised Master Land Use Plan is then approved by the City Council and distributed to the aforementioned entities.

Tonight, the City Planner and representatives from Wade Trim will highlight the most significant land use concepts and trends that are incorporated into the draft Master Land Use Plan. Please also refer to the attached material for detailed information on the draft Master Land Use Plan.

Following the presentation and public comment, the City Council will be afforded an opportunity to address the draft Master Land Use Plan as proposed for distribution.

**Suggested Action:**

**MOVED BY:**

**SECONDED BY:**

Resolved, to approve the distribution of the draft Master Land Use Plan by the Secretary of the Planning Commission to all entities required by the Michigan Planning Enabling Act for review and comment.

**APPLICANT: PPCM-1145 – CITY OF STERLING HEIGHTS – MASTER LAND USE PLAN****40555 Utica Road****SEPTEMBER 8<sup>th</sup>, 2016**

## History

At last month's Planning Commission meeting, the Commissioners were provided with the first complete drafts of the City's Master Land Use Plan as well as the City's Parks, Recreation and Non-Motorized Master Plan. That meeting was the first time the Planning Commission has viewed a complete draft of the Master Land Use Plan.

As you are aware over the course of the last year and one half the City has been working with their planning consultant team, Wade Trim, to prepare these two documents. The City has conducted a series of community forums through the winter and spring time to gather valuable public input on the direction of the City moving forward and ideas and concepts that should be included within these documents. The City has also had an interactive website where residents, land owners, and business owners, etc. can all provide their input for specific areas of the City and what they would like to see. The hard work of the planning consultant team along with the culmination of these public input sessions, as well as review by the Planning Commission and City Staff has led to the draft documents.

Further, as you recall, the Planning Commission has been reviewing sections of the Plans as they have been prepared. This however, again, is the initial distribution and review of the complete drafts. The current step for the Plans will be for the Planning Commission to start their review of the complete draft. It is anticipated that the Planning Commission will review the draft Master Plan at its September meeting and then forward the document to City Council for their review. Under State law, the adoption process for a Master Land Use Plan requires that the legislative body of a community must approve the distribution of the Master Land Use Plan for review by the surrounding communities, the County and our regional planning agency the Southeast Council of Governments (SEMCOG), among others. The document that is sent out under this process is still considered a draft and may still be change or modified.

The review period by the surrounding communities, County, SEMCOG, etc. is sixty three (63) days. Once the review period is closed, the draft Master Land Use Plan will be brought back to the Planning Commission for any revisions as suggested by surrounding communities, County, and SEMCOG and then the Planning Commission will conduct the required public hearing. It is important to note that any recommendations provided by the surrounding communities, County, SEMCOG, etc., are simply that, recommendations and are not binding on the City and if the City does not agree with the suggested recommendations, they do not have to be implemented. Once the public hearing has been conducted, the Planning Commission can then act on the adoption of the Master Land Use Plan.

The Parks, Recreation, Open Space and Non-motorized Plan follows a slightly different course of action. If the draft is approved, a separate review process which makes the plan available for public review and comment can commence. Again, an approval at this time does not adopt the Plan, the Plan will still be a draft and changes can be made. Once the review period is completed, a public hearing can be held and the official adoption process commenced.

At tonight's meeting the City's planning consultant along with City staff will be present to answer any questions or address any concerns regarding the Master Land Use Plan and/or Parks, Recreation, Open Space and Non-motorized Master Plan that the Commission may have.

## Conclusions

The draft Master Land Use Plan document has a number of significant updates to the City's previous Master Land Use Plan that was originally adopted in 2005. These updates address the ever changing market along with the City's progressive approach to continue to evolve itself. The updates include the following:

- Definition of Traditional Mixed Use Development Nodes at nine (9) specific areas.
- Proposed development/redevelopment areas in two (2) locations; 14 Mile Road and Maple Lane as well as Metropolitan Parkway and Shoenherr.
- Recognition of the North Van Dyke Corridor Improvement Authority
- Designation of a mixed use corridor along Van Dyke from 14 Mile Road to 18 Mile Road.
- Designation of an Innovation Support Corridor along the west side of Mound Road from 14 Mile Road to nearly 18 Mile Road
- Designation of a Beaumont Park district at Dobry and Dequindre.
- Designation of a Land Use Transition area along the east side of Mound from 19 Mile Road to M-59.
- Recognition of the City's Sterling Innovation District within the City's main industrial corridor.

The draft Parks, Recreation, Open Space and Non-motorized Plan includes the following updates:

- Updated assessment of recreational opportunities and needs of each City park.
- Updated recreation visions and needs based on community input sessions
- Revised and updated Capital Improvements Program, outlining City projects for parks and recreation over the next five (5) years including major parks initiative.
- The City's first comprehensive non-motorized pathway plan including:
  - Extensive shared use trail system including the Freedom Trail, Iron Belle Trail, and trail to the Nature Preserve area.

Again, the documents are still draft and will remain draft documents until the time they are officially adopted by the City. Please let me know if you have any questions.

### **SUGGESTED ACTION:**

The Planning Department recommends that the Planning Commission forward a recommendation to City Council to recommend distribution of the Master Land Use Plan draft document to the City's surrounding communities and other required agencies as prescribed by State Statute and approve the Parks, Recreation, Open Space and Non-motorized Plan for the required public review and comment period.

STERLING HEIGHTS PLANNING COMMISSION  
REGULAR MEETING  
CITY HALL  
SEPTEMBER 8, 2016

LOCATION: City Council Chambers, 40555 Utica Road, Sterling Heights, MI  
SUBJECT: Minutes of the Regular Meeting of the Planning Commission held September 8, 2016.

Mr. Reinowski called the meeting to order at 7:00 p.m.

Members present at roll call: Benjamin Ancona, Geoff Gariepy, Paul Jaboro, Edward Kopp, Stefano Militello, Donald Miller, Jeffrey Norgrove, Leonard Reinowski, and Gerald Rowe

Members absent at roll call: None

Also in attendance: Chris McLeod, City Planner  
Clark Andrews, City Attorney

**APPROVAL OF AGENDA**

Motion by Mr. Miller, supported by Mr. Kopp to **APPROVE** the Agenda.

Ayes: Kopp, Miller, Militello, Norgrove, Reinowski, Rowe, Ancona, Gariepy, Jaboro

Nays: None

Absent: None

Motion carried.

**PZ16-1145 – M-59 Properties, LLC**

Request for a Conventional Rezoning from C-1 (Local Convenience Business) district, P-1 (Vehicular Parking) district and R-80 (One Family Residential) district to C-3 (General Business) district – South side of Hall Road between M-53 and Sterritt St.

Property addresses: 11106 and 11124 Hall Road, 44871, 44773 and 44891 Sterritt St.

Mr. Reinowski asked Mr. McLeod to give an overview.

Mr. McLeod displayed the site plan and gave an overview of the proposal. He stated as a conventional rezoning all permitted and special approval land uses could be considered at the site. The Master Land Use Plan designates this area as Transitional. He displayed and explained a concept plan, submitted by the applicant, for two 120 room hotels, along with approximately 24,000 sq. feet of commercial retail space. He stated no specific users have been identified for this location. He stated if zoned C3 without conditional approval or conditional requirements, it would be difficult to mitigate out issues that could occur with some higher intensity uses.

Mr. Reinowski asked the board if there were any questions for Mr. McLeod. Being none, he asked the petitioner/representative to come forward to the podium.

Phil Ruggeri, 43231 Schoenherr, Sterling Heights, and Mike Shamamee came forward.

Mr. Ruggeri gave an overview regarding the history of the property. He stated the concept mentioned previously, hotel with commercial retail space, is the only thing M-59 Properties is interested in

developing. He talked about the extensive buffering that would be between the residents and the hotels. He stated they are looking for safeguards so they do not end up with time constraints that will again result in loss of money.

Mr. Reinowski asked for any questions from the Commissioners.

Mr. Militello asked Mr. Ruggeri if the previous projects he has brought before the Board, in Sterling Heights, are fully occupied.

Mr. Ruggeri stated yes.

Mr. Militello stated GM is looking for places to put their clients. Warren lost the hotel along Van Dyke and they are trying to pursue name brand hotels with no luck.

Mr. Ruggeri added there is a big demand for hotels in the area and the financing is very strong right now.

Mr. Miller asked Mr. Ruggeri if the plan was to increase the green space from 20 feet, as shown in site plan. Also if his plan is to get feedback, postpone, and then bring back a site plan everyone is pleased with possible contract zoning.

Mr. Ruggeri stated yes and they would increase the green space to around 50-60 feet or so.

Mr. Gariepy asked why the petitioner is not asking for contract zoning at this time.

Mr. Ruggeri stated the petitioner is fearful of not having enough time. In talking with Mr. Andrews, he stated there could possibly be something worked out with the language for an extension if they run into a problem.

Mr. Miller asked Mr. Ruggeri how he planned to protect themselves on the time constraints.

Mr. Ruggeri stated the contract zoning is more flexible than a use variance. He would like to have language in the documents that would allow extensions if needed.

Mr. Reinowski asked for any other questions from the Commissioners. Being none, he opened public participation.

Susan MacIreath, Alice Ct., stated there are other major hotels on the other side of Hall Road (M-59) and she is against the proposal to build a hotel on this small site.

James Seager, Sterritt St., would like to know how tall the buildings are going to be and how tall the buffer is going to be.

Tim Hauke, Sterritt St., stated the residents all pay property taxes as well, the owner knew the property was not zoned to build a hotel when purchased, and there are other vacant properties not abutting residents.

Leslie Hennigan, Wilseck Ct., stated her residence will be directly impacted by this zoning change. She stated many concerns with the proposed use of the property and thinks it should be developed with a less intense use.

Bill Sachs, Wilseck Ct., feels there could be a better use for the property. He has concerns with 24-7 noise impacting the residents and there not being a buffer tall enough for a building of that nature. He described the retail, restaurant, and other commercial places in the area.

Carolyn Cece, Morang Dr., stated concern for overflow of water that could end up in the resident's property. This is due to their basements previously flooding four times after a nearby medical complex went in.

Leonard Celletti, Morang Dr., stated concerns for the house values dropping as well as previously mentioned concerns by other residents. Does not feel a high rise hotel is suitable next to residents.

Larry Jones, Wilseck Ct., stated concern for the noise level it will bring and the decrease in their property value.

Jim Bauer, Wilseck Ct., feels the proposed use is too intense for this site and a less intense use would be more suitable.

Mark Scheuerman, Morang Dr., stated concern for water/flood issues. He also stated concern for the noise level that would come to the sides of the building; the buffering in the back will not help. He agrees with previous residents that there should be something less intense developed there.

Paul Vanderwaal, Alice Ct., stated concern for noise, traffic, and carelessness that would come from a hotel development.

Mr. Reinowski asked for any other questions from the public. Being none, he asked if the Commissioners had any further questions.

Mr. Norgrove asked Mr. Andrews to explain a "spot zone", how serious it is, and how it impacts developments.

Mr. Andrews explained a spot zone to be when a partial of property is rezoned and is usually surrounded by incompatible zoning. He stated a spot zone is not desirable.

Mr. Norgrove asked how the courts look at spot zoning if the matter goes to litigation.

Mr. Andrew stated they generally do not look favorable on the spot zones.

Mr. Reinowski asked if there were any other questions from the Commissioners.

Mr. Reinowski stated there were three emails received from residents in the area (John Clark, Kelly Beckett, and Dan Hoin) expressing their concerns for the proposed rezoning.

Mr. McLeod stated he received phone calls from Mrs. Hildebrand, Linda Skeen, and a resident on Alice Ct. objecting to the rezoning request.

Motion by Mr. Militello, supported by Mr. Jaboro, to **POSTPONE** case number PZ16-1145, M-59 Properties to the October 13<sup>th</sup> meeting.

Mr. Reinowski asked for any discussion on the motion.

Mr. Rowe suggested the motion provide specific direction to the applicant for a less intense use of the property.

Mr. Gariepy asked Mr. Ruggeri how he would work with the residents to come to a mutual compromise.

Mr. Ruggeri stated there could be one or two representatives of the group as a contact person that he could share the plans with, and then meet with residents to share thoughts and concept plans.

Mr. Gariepy asked if the applicant is willing to entertain other uses besides hotels.

Mr. Ruggeri stated hotels are a strong point of their development, but he has some ideas and feels there could be a compromise.

Mr. Miller asked Mr. Ruggeri if one month was enough time for the postponement.

Mr. Ruggeri stated yes.

Mr. Rowe stated because part of the property is already zoned C1, it could be a partial rezoning if they were to rezone for a less intense use.

Mr. Norgrove asked Mr. Ruggeri how he is going to address the spot zone issue.

Mr. Ruggeri stated with contract zoning, there isn't a spot zone issue. He said they will address and consider all recommendations and concerns.

Mr. Gariepy stated that it appeared the applicant would still come back with a plan to develop a hotel. He asked the audience, by a show of hands, who would be willing to work with the applicant if it were still for developing a hotel. There were no hands raised.

Mr. Ruggeri stated it is an issue his client will have to address and they will be discussing and explore all avenues.

Mr. Reinowski asked if there were any further questions from Commissioners. Being none, he asked for a roll call vote.

Ayes: Militello, Jaboro, Miller, Norgrove, Reinowski, Rowe, Ancona, Gariepy, Kopp  
Nays: None  
Absent: None

Motion carried.

Mr. Rowe stated to all present, there would not be another notice sent out for the October 13<sup>th</sup> meeting.

Mr. Reinowski called for a 10 minute recess until 8:25 p.m.

**PZ16-1144 Nonresidential Landscaping Standards Ordinance – Planning Commission/ City Council**

Proposed text amendments to Zoning Ordinance No. 278 amending Article 23 Off Street Parking and Loading Requirements, by amending Section 23.01 General Parking Requirements and Article 24 Environmental Provisions, by amending Section 24.02 Site Landscaping Requirements and Section 24.03 Parking Lot Landscaping Requirements and Section 24.05 Location and Screening of Trash Receptacles and adding Sections 24.07 Decorative Fencing for Nonresidential Properties and Uses, Section 24.08 Foundation Plantings, Section 24.09 Transformer and Other Ground Mounted Appliance Screening, Section 24.10 Pedestrian Connections, Section 24.11 Enhanced Landscaping Treatments, Section 24.12 Bicycle Racks, and by amending Article 27 Nonconforming Uses, Building and Structures, by adding Section 27.03A Landscaping and Site Improvements; Resumption and Restoration, and amending Article 28 General Provisions by amending Section 28.14 General Provisions, and amending Article 31 Definitions, by amending Section 31.01, and any other technical corrections related to Zoning Ordinance No. 278(adopted September 13, 1989, as amended).

Mr. Reinowski asked Mr. McLeod for an overview.

Mr. McLeod stated the draft for the new commercial landscape standards were previously given to the Commission for review. In this meeting he will address any questions, comments, or concerns from the Board. It is also the public hearing for the drafts and he will address any public comments.

Mr. Reinowski asked if there were any questions from the Commissioners.

Mr. Militello asked Mr. Andrews if this will be implemented when plazas do upgrades or will they be expected to implement changes because they do not meet the requirements in the new ordinance.

Mr. Andrews stated if someone is in compliance with the standards from when they went through site plan review, they will not be required to do anything further unless they do a substantial upgrade. The intent is to be in compliance with what they should be doing as stated in their site plan. If they are not in compliance they would have until July 2017 to conform.

Mr. Militello asked Mr. McLeod if there are enough people in code enforcement to handle the task.

Mr. McLeod stated it is a tool the city will use, as need arises, to handle properties that are non-compliant.

Mr. Gariepy asked Mr. Andrews why there is a need for a new ordinance.

Mr. Andrews believes what the city staff is aiming to do is upgrade, over a period of time, commercial/industrial sites and concentrate on the people who haven't kept up their property.

Mr. Gariepy asked if someone is not notified until just before the deadline, will they have an extension past the July 2017 date.

Mr. Andrews stated yes but they have to show some sort of proof they are progressing to be in compliance.

Mr. Rowe asked Mr. Andrews in properly notifying business owners, how will this be phased in so the code enforcement can do its job.

Mr. Andrews stated code enforcement will concentrate on the worst offenders.

Mr. Norgrove asked what is the thought process behind requiring a white tent (for temporary use) when there may be businesses/organizations that already own something other than white.

Mr. McLeod stated when someone gets a temporary use permit for a tent, for the past two years they have required white tents. This ordinance puts the requirement into print.

Mr. Norgrove asked Mr. McLeod to explain the new irrigation requirements.

Mr. McLeod stated it is not a brand new requirement but a modification to an existing one. The thought process behind the irrigation requirement is in conjunction with the new landscaping standards. The city wants to make sure what is planted doesn't die.

Mr. Reinowski asked for any other questions from the Commissioners. Being none, he asked for public participation.

There was no public present for comment regarding the Commercial Landscaping Standards.

Motion by Mr. Gariepy, supported by Mr. Militello, to **forward a recommendation** to City Council to approve Case PZ16-1144, Planning Commission/City Council, Zoning Ordinance Text Amendments amending Article 23 Off Street Parking and Loading Requirements, by amending Section 23.01 General Parking Requirements and Article 24 Environmental Provisions, by amending Section 24.02 Site Landscaping Requirements and Section 24.03 Parking Lot Landscaping Requirements and Section 24.05 Location and Screening of Trash Receptacles and adding Sections 24.07 Decorative Fencing for Nonresidential Properties and Uses, Section 24.08 Foundation Plantings, Section 24.09 Transformer and Other Ground Mounted Appliance Screening, Section 24.10 Pedestrian Connections, Section 24.11 Enhanced Landscaping Treatments, Section 24.12 Bicycle Racks, and by amending Article 27 Nonconforming Uses, Building and Structures, by adding Section 27.03A Landscaping and Site Improvements; Resumption and Restoration, and amending Article 28 General Provisions by amending Section 28.14 General Provisions, and amending Article 31 Definitions, by amending Section 31.01, and any other technical corrections related to Zoning Ordinance No. 278(adopted September 13, 1989, as amended).

Mr. Reinowski asked for a roll call vote.

Ayes: Gariepy, Militello, Kopp, Jaboro, Miller, Reinowski, Rowe, Ancona

Nays: Norgrove  
Absent: None  
Motion carried.

**PPCM-1159 – Bishara Kaoud**

Request for a Special Approval Land Use to permit a carry-out restaurant in a C-1 (Local Convenience Business) district – East side of Van Dyke between 18 ½ Mile Road and Riverland Drive in Section 10.  
Property address: 42440 Van Dyke

Mr. McLeod stated this is the second time the applicant has not been present. The applicant has received two certified letters and email correspondence and he has not heard back from anyone.

Motion made by Mr. Rowe, supported by Mr. Miller, to TABLE case PPCM-1159, 42440 Van Dyke due to petitioner not making a presentation despite being notified of two public meetings. The Planning Commission cannot make a decision without a presentation.

Mr. Reinowski asked for any discussion on the motion.

Mr. Rowe asked if the applicant wants to appear again would it have to be brought back to the table.

Mr. Andrews stated it would have to be brought back to the table, public notice would be sent out, and then it would be scheduled accordingly.

Mr. Reinowski called for a roll call vote.

Ayes: Rowe, Miller, Ancona, Gariepy, Jaboro, Kopp, Militello, Norgrove, Reinowski  
Nays: None  
Absent: None  
Motion Carried.

**PPCM-1145 - Master Land Use Plan Update**

Mr. Reinowski asked Mr. McLeod for an overview.

Mr. McLeod stated at last month's Planning Commission meeting, the Commissioners were provided with the first complete drafts of the City's Master Land Use Plan as well as the City's Parks, Recreation and Non-Motorized Master Plan. That meeting was the first time the Planning Commission has viewed a complete draft of the Master Land Use Plan. He went through the steps that should be taken to move forward for the adoption of the plan.

Mr. Gariepy stated the Master Plan addressed certain redevelopment nodes and wanted to suggest the 15 Mile Rd. and Ryan Rd. intersection should be part of the redevelopment. He would like to see documented what could be done with this particular intersection.

Mr. McLeod feels the city has taken the stance that this kind of development should be happening citywide. The Master Plan focuses on a series of node and focal points but that doesn't mean other intersections, within the city, can't take on that same type of appearance. He stated he would talk with the consultants regarding adding that particular intersection to the plan.

Adam Young stated he also thought there were some valid points made. They will take into consideration adding the intersection as another place making node in the city.

Mr. Rowe asked about the line items for funding in regards to the Recreation Plan.

Mr. McLeod stated typically in a budgeting sequence, you do not put in grant opportunities. He will converse with Kyle Langlois and make sure the notations are correct.

Mr. Rowe asked about the sources for the maps on pages 48-50.

Mr. Young stated there are sources listed, in very small print. He stated they should specifically spell it out or put text under each map. The source for all three is the American Community Survey Data.

Mr. Young stated the Parks and Recreation Non-Motorized Master Plan is a little different than the Master Land Use Plan. The Master Land Use Plan requirements are dictated by State Law and the Parks and Recreation Master Plan requirements are dictated by the Department of Natural Resources. The Parks and Recreation Master Plan does not have to go to City Council for authorization but it makes sense to pass it along to the City Council as a complete draft so they can review before it goes to the public for review. The MDNR requires a 30 day comment period. There will be a posting of that notice that the plan is available for citizen review and then a public meeting will need to be held by the City Council before adoption.

Mr. Norgrove asked Mr. Young if the maps will be similar to the old maps where they are bigger and fold out so they are easier to read.

Mr. Young stated yes they will be able to do that.

Mr. Reinowski asked for any other questions from the Commissioners.

Mr. McLeod stated there may be two different documents. One would be the technical report, a long draft; the other would be a shorter version, executive summary type, which would contain more visuals.

Motion by Mr. Rowe, supported by Mr. Norgrove to **forward a recommendation** to City Council to recommend distribution of the Master Land Use Plan draft document to the City's surrounding communities and other required agencies as prescribed by State Statute and approve the Parks, Recreation, Open Space and Non-motorized Plan for the required public review and comment period.

Mr. Reinowski asked for a roll call vote.

Ayes: Rowe, Norgrove, Ancona, Gariepy, Kopp, Jaboro, Militello, Miller, Reinowski

Nays: None

Absent: None

Motion Carried.

Mr. McLeod asked for the short video presentation on the City's park systems to be played.

Mr. McLeod stated the reason for viewing the video is so the Commission would have a good understanding of the overall plan.

Mr. Miller asked if this will be a millage increase and if so when will it be on the ballot.

Mr. McLeod stated yes but it would be a small increase per resident and would greatly benefit all residents. It will be on the ballot this November. On the front page of the cities website there is "Recreating Recreation" area that states the facts involved with the proposal. It states it would be just under \$63 per year for the average homeowner.

Mr. Andrews stated it will be a .97 millage increase and dedicated specifically to parks and recreation.

Mr. Reinowski asked if there were any other questions/comments. There were none.

#### **CITIZEN PARTICIPATION**

None.

#### **APPROVAL OF MINUTES**

Motion by Mr. Rowe, supported by Mr. Miller, to **APPROVE** the minutes of August 11, 2106.

Ayes: Rowe, Miller, Ancona, Garipey, Jaboro, Kopp, Militello, Norgrove, Reinowski

Nays: None

Absent: None

Abstained: None

Motion Carried.

#### **CORRESPONDENCE**

- Michigan Association of Planning, the annual conference is in Kalamazoo.
- Three letters, mentioned above, regarding case PZ16-1145 – M-59 Properties, LLC.
- Michigan Planner

#### **OLD BUSINESS**

None.

#### **NEW BUSINESS**

Mr. Rowe stated they received, from the Planning Office, a Planning Commissioners list and there are three Commissioners reappointed.

Mr. McLeod stated he would send out updated list.

Mr. Norgrove asked if the City has considered any of the conferences for the Commissioners to become more knowledgeable in the Planning/Zoning process and even to become certified.

Mr. McLeod stated there has been some discussion and is looking into various opportunities for training.

**MOTION TO ADJOURN**

Motion by Mr. Militello, supported by Mr. Kopp to **ADJOURN**.

Ayes: Militello, Kopp, Miller, Norgrove, Reinowski, Rowe, Ancona, Gariepy, Jaboro

Nays: None

Absent: None

Motion Carried

The meeting adjourned at 10:00 p.m.

Respectfully submitted,

Stefano Militello, Secretary  
Planning Commission



# Master Land Use Plan

## 2016-2040

### TECHNICAL REPORT

September 27, 2016 Draft

Adopted by the Sterling Heights  
City Council on \_\_\_\_\_, 2016

Recommended for Adoption by the Sterling Heights  
Planning Commission on \_\_\_\_\_, 2016

## Acknowledgements

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### City Council

Michael C. Taylor, Mayor  
Joseph V. Romano, Mayor Pro Tem  
Deanna Koski  
Maria G. Schmidt  
Nate Shannon  
Doug Skrzyniarz  
Barbara A. Ziarko

### Planning Commission

Benjamin Ancona  
Geoff Gariepy  
Paul Jaboro  
Al L. Kollmorgen (Past Member)  
Edward Kopp  
Stefano Militello  
Donald L. Miller  
Jeffrey I. Norgrove  
Leonard Reinowski  
Gerald A. Rowe

### City Manager

Mark D. Vanderpool

### Office of Planning

Chris McLeod, AICP, City Planner

### Neighborhood Services

Denice Gerstenberg, City Development Director

Assistance Provided By:



Wade Trim  
Detroit, Michigan  
WadeTrim.com



LivingLAB  
Detroit, Michigan  
Livinglabdetroit.com



Archive Design Studio  
Detroit, Michigan  
ArchiveDS.com



Colliers International  
Southfield, Michigan  
Colliers.com

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# Introduction and Regional Context

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## Introduction

### Authority

The City of Sterling Heights derives its authority to prepare a master plan from the Michigan Planning Enabling Act, Public Act 33 of 2008, as amended. Public Act 33 states:

*“A Planning Commission shall make and approve a master plan as a guide for development within the planning jurisdiction.”*

In describing a master plan, Public Act 33 states:

*“A master plan shall address land use and infrastructure issues and may project 20 years or more into the future. A master plan shall include maps, plats, charts, and descriptive, explanatory, and other related matter and shall show the planning commission's recommendations for the physical development of the planning jurisdiction. A master plan shall also include those of the following subjects that reasonably can be considered as pertinent to the future development of the planning jurisdiction:*

*(a) A land use plan that consists in part of a classification and allocation of land for agriculture, residences, commerce, industry, recreation, ways and grounds, public buildings, schools, soil conservation, forests, woodlots, open space, wildlife refuges, and other uses and purposes.*

*(b) The general location, character, and extent of streets, railroads, airports, bicycle paths, pedestrian ways, bridges, waterways, and waterfront developments; sanitary sewers and water supply systems; facilities for flood prevention, drainage, pollution prevention, and maintenance of water levels; and public utilities and structures.*

*(c) Recommendations as to the general character, extent, and layout of redevelopment or rehabilitation of blighted areas; and the removal, relocation, widening, narrowing, vacating, abandonment, change of use, or extension of streets, grounds, open spaces, buildings, utilities, or other facilities.*

*(d) For a local unit of government that has adopted a zoning ordinance, a zoning plan for various zoning districts controlling the height, area, bulk, location, and use of buildings and premises. The zoning plan shall include an explanation of how the land use categories on the future land use map relate to the districts on the zoning map.*

*(e) Recommendations for implementing any of the master plan's proposals.”*

## **Purpose**

The master planning process is cooperative and public. Input from the public and various governmental entities are gathered throughout the planning process. Public Act 33 requires the Planning Commission to hold a public hearing before the final adoption of the master plan and allows for review of a draft master plan by adjacent communities, the county and other entities prior to adoption. This planning process offers the Planning Commission the opportunity to analyze and address a myriad of planning and development issues as part of a collaborative planning process with citizens, stakeholders, adjacent communities and regional entities.

The planning process is designed to involve the conscious selection of policies relating to growth and development in a community. The master plan serves to promote these policies through the following:

1. Provides a general statement of the City's goals and provides a comprehensive view of the community's preferred future.
2. Serves as the primary policy guide for local officials when considering zoning land division, capital improvement projects, and any other matters related to land development. Thus, the master plan provides a stable and consistent basis for decision making.
3. Provides the statutory basis for the City's Zoning Ordinance, as required by the Michigan Zoning Enabling Act, Public Act 110 of 2006, as amended.
4. Helps to coordinate public improvements and private development activities to assure the judicious and efficient expenditure of public funds.
5. Establishes a common, united set of adopted planning policies, goals, objectives, and strategies to be utilized by leadership entities throughout the organization (City Council, Planning Commission, City departments, etc.).

## **Plan Organization**

The City of Sterling Heights Master Plan 2016-2036 is organized into two companion documents: a **Master Plan Summary Report** and this **Master Plan Technical Report**. The Master Plan Summary Report is intended to provide a concise description of the key trends, recommendations, policies and vision embraced by the plan and will serve as a succinct reference for City leadership, citizens, business leaders and other interested parties. This Master Plan Technical Report provides an in-depth discussion of pertinent trends and background conditions, goals and policies, future land use planning proposals, and other strategic recommendations.

## **Regional Context**

The City of Sterling Heights is the fourth largest city in the state of Michigan, by population, with a year 2010 population of 129,699. The City encompasses an area of roughly 36.8 square miles, making it the third largest city in land area in the state of Michigan.

It is located in southeast Michigan, approximately 14 miles north of the City of Detroit's central business district. The City's geographic location places it within one of the region's most prominent economic growth corridors with a strong industrial and commercial tax base. Fiat Chrysler Automobiles (FCA) operates the Chrysler Sterling Heights Assembly plant in the City. Ford Motor

Company's Ford Sterling Axle Plant is also located there. Lakeside Mall, a two-level enclosed shopping center is located in the City too. It has 1.5 million square feet with over 180 stores. The City of Sterling Heights also retains Freedom Hill County Park and Amphitheater, one of the region's premier entertainment venues. This outdoor amphitheater accommodates an audience of 7,200 persons who are annually entertained by many of the world's greatest performing artists.

The City's growth and land development pattern has been influenced by regional factors, such as transportation systems, population migration patterns, regional recreational facilities, and the existing land use pattern and proposals from adjoining communities. Understanding this context will provide local decision-makers with a broader foundation for developing future land use recommendations which are consistent with its position in the region.

### **Historical Population Growth**

The City's history begins with the opening of the Erie Canal in 1825. This canal linked the eastern seaboard to the Great Lakes region, and opened the American interior to increased settlement. Immigrants were attracted to the land well suited for farming in the Clinton River watershed. Early immigrants first came from the British Isles, followed by German and Belgian families interested in growing fruits and vegetables, or raising dairy cattle.

The Sterling Heights farm culture remained through the 1940s. It retained a very small but stable population during this period. Prior to its incorporation as a City in 1968, Sterling Township had a population of 2,184 people in 1930, 3,648 people in 1940, and 6,509 people in 1950. (Sterling Township was known as Jefferson Township from 1836 until 1838.) Following World War II, industrial plants began to move into the community which rapidly expanded the local population base. The population reached 14,622 people by 1960; however, its greatest rate of population growth was achieved during the following decade. It gained an additional 46,743 people, reaching a year 1970 population of 61,367 (an increase of 319.6 percent over this 10-year period).

### **Recent Population Change and Migration**

The City's population continued to increase over the next 30 years, achieving a total population of 124,471 people in 2000. Today, the City's population is 129,699 (2010 U.S. Census). The Southeast Michigan Council of Governments (SEMCOG) predicts the City's population will achieve only modest population growth by 2040, increasing to 136,527 people.

Recent population gains enjoyed by the City are, in part, attributable to net migration patterns within southeast Michigan, combined with movements to and from areas outside the region. The general pattern has been outward from Wayne County into surrounding counties, and movement away from Wayne, Oakland and Macomb counties to outside southeast Michigan. Between the years 1995 and 2000, 15,000 Macomb County residents moved to areas outside the region, while 39,000 residents located elsewhere in the region relocated to Macomb County, a net inflow of domestic migration equaling 24,000 people.<sup>1</sup> Macomb County's net migration between the years 2000 and 2010 slowed slightly, exhibiting a gain of 15,462 people.<sup>2</sup>

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<sup>1</sup> Southeast Michigan Council of Governments, "Migration and Its Impact on Southeast Michigan, 1990-2003", November 2004, page 24.

<sup>2</sup> Southeast Michigan Council of Governments, "Population and Households in Southeast Michigan, 2000-2010, September 2010, page 3.

## **The Influence of Regional Transportation**

Growth and migration would not have happened without a regional transportation system to support it.

In the late 1800s, approximately 29 street car companies had operated either horse-drawn or electric powered streetcars along streets in and around the City of Detroit. By 1897, there were three companies remaining – the Detroit Citizens Street Railway, the Detroit Electric Railway, and the Detroit Fort Wayne and Belle Isle Railway. On December 31, 1900, they were absorbed into a newly formed Detroit United Railway (DUR).<sup>3</sup>

During the 1800s, another form of mass transportation was also emerging, known as the Interurban Electric Railway System (better known as interurbans). Like streetcars, they operated on rail lines and were powered by overhead wires, but they were larger and more luxurious than streetcars which ran only within city limits. The interurbans also traveled at speeds of 40-50 miles per hour over routes ranging in length from 20-75 miles long.<sup>4</sup> Lines fanned out of Detroit in all directions and included the Rapid Railway and the Shore Line – both which extended to Mt. Clemens. The DUR had succeeded in purchasing all but one of the interurban lines by 1901. By 1903, southeast Michigan had the largest transit system in the United States and was known as the “interurban capital of America”.<sup>5</sup>

The City of Detroit’s population quickly grew, and the DUR found itself unable to service the increasing crowds. In 1922, Detroit residents voted to buy the streetcars, line and all operations and the Department of Street Railways (DSR) was formed. Two decades later, World War II brought rationing. Tires and gasoline were hard to obtain. As a result, public transportation ridership increased.

Rationing ended at the end of World War II. It was also the advent of the interstate highway system, and the dismantling of the streetcar system.

By the 1930s, the private ownership of automobiles was increasing, and roadways were getting more congested. The federal government, to address this growing issue and as a means to help the country recover from the Great Depression, passed The Federal Highway Act of 1938 which directed the Bureau of Public Roads to examine the feasibility of building a six-route, transcontinental toll highway network. The report instead recommended a 43,000 mile, non-toll highway system.

Support for a national highway system diminished with the onset of WW II. As the war ended, attention again refocused on creating a federal highway program. With the popularity of President Eisenhower behind it, the Federal – Aid Highway Act was signed into law in 1956.

Constructing the interstate highway system has improved the mobility of people owning automobiles and allowed central-city residents and businesses to move to suburban locations like the City of Sterling Heights. Today, the City benefits from its proximity to I-75, I-94, and I-696.

Coincidentally, the year 1956 was also the year all Detroit streetcar service ended. Buses became the default public transportation option. In 1964, the DSR proposed a merger with a tri-county “Rapid

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<sup>3</sup> Refer to website, [www.detroittransithistory.info/TheDURYears.html](http://www.detroittransithistory.info/TheDURYears.html), page 1.

<sup>4</sup> Refer to website, [www.detroittransithistory.info/TheDURYears.html](http://www.detroittransithistory.info/TheDURYears.html), page 2.

<sup>5</sup> Refer article on patch.com by Michele Fecht, “Interurban Provided Northville with Mass Transit”, March 5, 2012, page 2.

Transit Authority” which would allow it to expand its services to the suburbs. Establishing a regional system drew little support until state passage of the Metropolitan Transportation Authorities Act of 1967, which formed SEMTA (the Southeast Michigan Transportation Authority). SEMTA was established to provide suburban mass transit service in Wayne, Oakland, Macomb, Washtenaw, Monroe and St. Clair counties. SEMTA acquired the DSR as well. Seven years later, the DSR was reorganized as the Detroit Department of Transportation (DDOT).

In 1988, SEMTA was restructured into a 3-county agency, which excluded Detroit and renamed SMART (Suburban Mobility Authority for Regional Transportation). Efforts to merge SMART and DDOT in the 1990s failed. DDOT terminated its suburban bus service in 1998 with SMART picking up the abandoned routes. Today, SMART provides bus service to the City of Sterling Heights along six different routes. For the past 3-years, oversight of SMART’s operations occurs via the Regional Transit Authority for Southeastern Michigan (RTA). The RTA was formed to oversee the existing public transit agencies in Macomb, Washtenaw, Oakland, and Wayne counties and to develop and operate a rapid transit service in the four counties.<sup>6</sup>

### **Connecting to Regional Parks**

The rapid migration of population into the City from urbanized areas which occurred during 1950-1970 was not only the result of the increased mobility enjoyed by householders and businesses alike, but also their conscious decision in site selection – selecting a destination offering the services and lifestyle characteristics they preferred. Premier among them are nearby regional recreational opportunities offered to them by the Huron – Clinton Metropolitan Authority (HCMA).

The HCMA is a regional special park district covering Wayne, Oakland, Macomb, Washtenaw and Livingston counties. At the time of its inception in 1940, the park system was created to provide a variety of outdoor recreational and educational opportunities for an expected expanding metropolitan population, to preserve important natural features, and to protect environmentally sensitive lands. The HCMA is funded by a property tax levy of 0.25 mills.

Currently, 13 Metroparks are strategically distributed along the Huron and Clinton Rivers which occupy approximately 39 square miles. Located near the City of Sterling Heights are the Lake St. Clair Metropark located in Harrison Township (770 acres), Wolcott Mill Metropark in Ray Township (3,200 acres), and the Stony Creek Metropark located in Shelby and Washington Townships (containing 4,400 acres).

The Metroparks are currently being planned to be connected to other recreational assets in Macomb County through a hierarchy of trailways (regional corridors, county connectors, and local connectors).<sup>7</sup> A regional corridor is planned within Sterling Heights, extending from Dodge Park. The City has indicated a route along Schoenherr Road and connecting to Freedom Hill County Park and the Metropolitan Parkway system.

### **Neighboring Development**

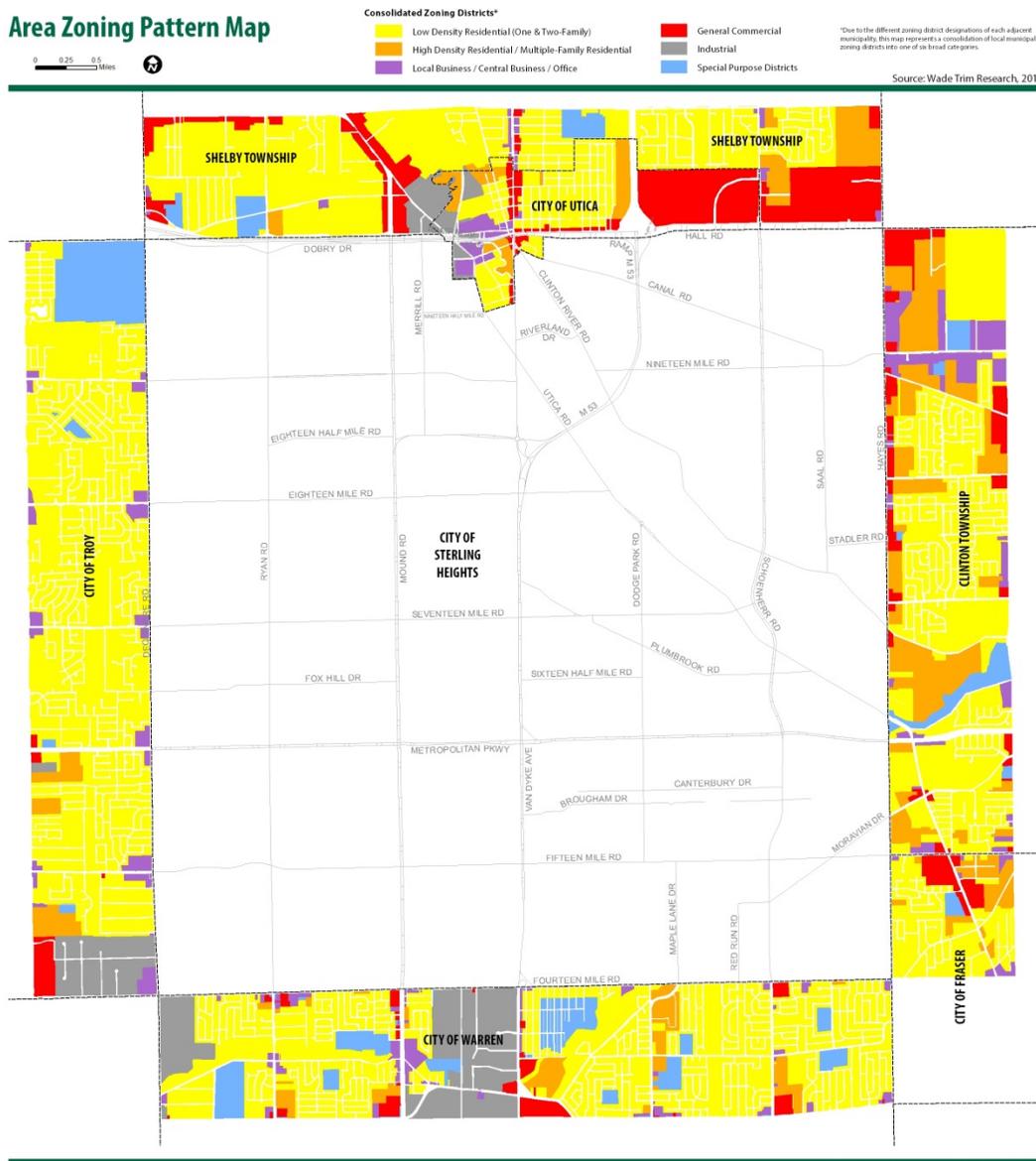
Long-range planning for the City of Sterling Heights must be coordinated with neighboring communities. These communities are Shelby Township, Clinton Township, the City of Warren, the City

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<sup>6</sup> For a complete chronology of public transit service in southeast Michigan, refer to website [www.smartbus.org](http://www.smartbus.org).

<sup>7</sup> A complete description of the proposed routes, including their location, can be found in the “Macomb County Trailways Master Plan”, adopted by the Macomb County Board of Commissioners in November 2004.

of Troy, the City of Utica and the City of Fraser. Given the developed nature of the City and surrounding communities, the zoning districts map of each neighboring community was evaluated to identify the zoning categories which are adjacent to the City's corporate limits. In this manner, the land development pattern they intend to permit can be assessed for their planning and zoning influence on the City. An **Area Zoning Pattern Map** has been prepared, which represents a consolidation of the numerous unique zoning district classifications of each adjacent municipality into six broad zoning district categories. Most commonly, the adjacent communities feature low density residential zoning with the exception of the areas surrounding key road intersections, which are typically zoned for local business/office use or general commercial use. Adjacent to the City to the northeast, general commercial zoning is most prevalent within the adjoining townships of Shelby and Clinton. This general commercial zoning is consistent with the City's zoning pattern surrounding Lakeside Mall. Consistent with the City's industrial corridor between Mound Road and Van Dyke Avenue, industrial zoning extends both to the north (Utica) and south (Warren).



# Land Development Pattern Analysis

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## Existing Land Use

The existing Land Use survey reveals general land use patterns and trends in the City. The first step in conducting an existing land use survey is to define land use categories. A field survey is then completed, and a map is created to determine the amount of land in each category. The existing land use map also serves as the basis for completing an existing land use analysis. The existing land use analysis examines land use patterns and trends, redevelopment opportunities, and other specific land use issues.

An existing land use survey was completed in June of 2015. The existing land use of each parcel was recorded and mapped, and the acreages of each type of land use were computed using GIS software. The results of the survey are illustrated on the **Existing Land Use Map** and in **Table 1**.

## Land Use Categories

The following generalized land use categories were used for the Sterling Heights existing land use survey:

### Single Family Residential

This category includes all single-family homes and related accessory structures.

### Multiple Family Residential

The category includes residential uses and buildings with two (2) or more dwelling units.

### Mobile Home Park

This category includes mobile home park developments.

### Office

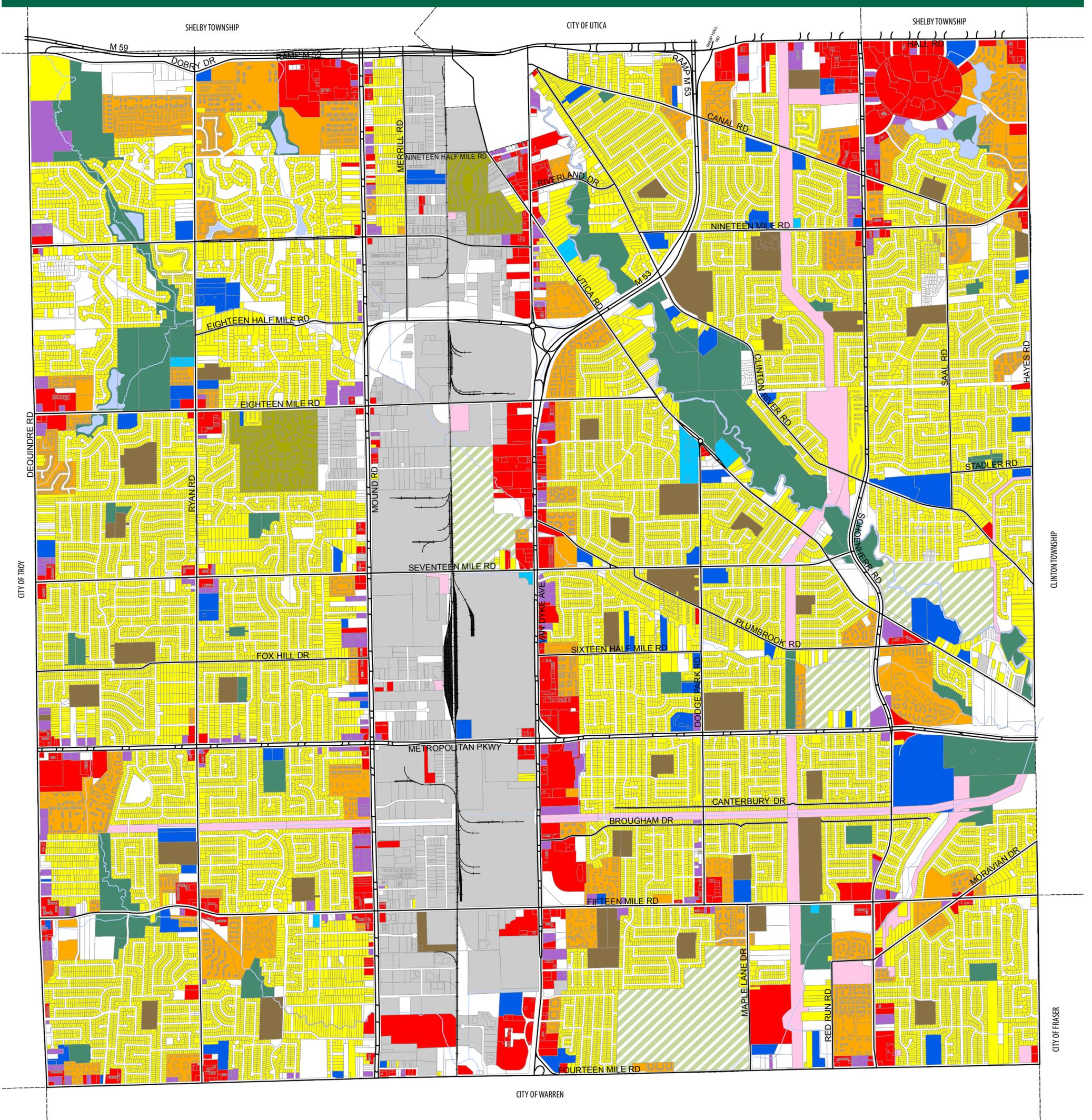
This category includes professional offices, including medical or dental offices.

### Commercial

The commercial land category includes regional, community, and local commercial uses. Neighborhood commercial uses primarily serve nearby residents and draw upon the smallest geographical area for their customers. Community commercial uses primarily serve the residents of the City. Community commercial uses draw upon a smaller geographical area than regional commercial uses, but a larger geographical area than a neighborhood commercial use. Regional commercial uses serve a regional population, drawing upon a large geographical area extending beyond the City's borders to attract customers.

### Industrial

This category includes both light and heavy industrial uses. Uses such as light fabricating or uses located within industrial parks are considered light industrial uses. Large manufacturing operations such as auto plants are considered heavy industrial uses.



### Existing Land Use Map

- |                             |                            |                  |
|-----------------------------|----------------------------|------------------|
| Single Family Residential   | Public/Semi Public         | Primary Roads    |
| Multiple Family Residential | Municipal Buildings (City) | Municipal Limits |
| Mobile Home Park            | Golf Courses               | Water Features   |
| Office                      | Schools                    |                  |
| Commercial                  | Utilities                  |                  |
| Industrial                  | Vacant                     |                  |
| Parks/Public Open Space     | Rivers/Lakes               |                  |

Source: Wade Trim Field Survey, June 2015

# Master Land Use Plan 2016-2036

WADE TRIM

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Archive DS

Colliers INTERNATIONAL



### Parks/Public Open Space

This category includes City parks, County parks, nature preserves and other open spaces which are developed for recreational purposes and accessible to the general public. It does not include common elements and recreational spaces found within residential developments which are generally only available for use by residents of the development.

### Public/Semi Public

This category includes public uses (not operated by the City) and semi-public uses which are generally open to serve the public. Examples of public uses include a road commission storage yard and post office, while semi-public uses include places of worship and fraternal organizations.

### Municipal Buildings (City)

This category includes all facilities owned and operated by the City of Sterling Heights, including City offices, police stations, fire stations, library, and the senior center.

### Golf Courses

This category includes golf courses and related facilities such as clubhouses and practice greens.

### Schools

This category includes public and private school facilities, including preschools, elementary schools, middle and high schools, as well as institutions of higher learning.

### Utilities

This category includes public and semi-public utility facilities and properties, which may include transmission/pipeline corridors, substations, and related facilities.

### Vacant

This category includes lands which are generally vacant or undeveloped, such as open spaces, vacated sites, forested lands and agricultural lands.

These existing land uses have evolved over the last few decades to create a framework for future development.

## **Existing Land Use Framework**

The existing land use framework in Sterling Heights is made up of neighborhoods, corridors, and districts.

### Neighborhoods

Neighborhoods that include single-family, multiple-family, public facilities (schools, parks, etc.) and retail uses comprise the majority of the City.

### Districts

Districts are similar in size to neighborhoods but are dedicated to a single use. Lakeside Mall is an example of a dedicated commercial district. There are a number of districts in the City, including industrial districts and multiple family districts.

### Corridors

Corridors are also an important part of the framework of Sterling Heights. The land along and between Van Dyke Avenue and Mound Road form the most dominant corridor in the City, if not the county. Primarily defined by their role in providing transportation, these corridors also contribute to land use patterns and the overall image of the City. Primarily industrial and commercial in nature, these corridors also provide access to adjacent neighborhoods and districts.

### **Existing Land Use Trends and Analysis**

**Table 1** shows the amount of acres in each land use category in Sterling Heights in 2015, 2003, and 1985. Over the approximately 30 year span, the City has seen a sharp increase in developed land acreage versus vacant land acreage. The total residential land has increased from 29.2% of the City in 1985 to 45.5% of the City in 2015. During this time, commercial land increased from 2.7% to 6.0%, office land increased from 0.6% to 1.7%, industrial land increased from 6.2% to 10.5%, and institutional land increased from 25.3% to 29.4% of the City.

### Residential Land Uses

Residential land uses comprise 10,698.9 acres or 45.5% of the City. The majority of this acreage is single-family residential land (8,500.8 acres), while multiple-family residential land accounts for 1,917.8 acres and manufactured home park land accounts for 280.3 acres. Single-family residential lands are located in neighborhoods throughout the City, with the exception of the industrial corridor between Mound Road and Van Dyke Avenue. Multiple-family residential lands are generally located adjacent to higher intensity office and commercial uses, and serve as a buffer between lower density single-family residential uses. A few areas with particularly high concentrations of multiple-family housing include the Lakeside Mall area and the lands south of M-59 between Dequindre and Mound Roads. There are two manufactured housing complexes in the City. Sterling Estates is located on the west side of Utica Road, south of 19 ½ Mile Road, and Rudgate Manor is located south of 18 Mile Road between Mound Road and Ryan Road.

### Commercial Land Uses

Commercial land uses range from neighborhood commercial districts that serve a small population to regional shopping areas that draw from adjacent communities as well as the City of Sterling Heights. In total, commercial lands occupy 1,400.4 acres or 6.0% of the City. There are two primary commercial corridors in the City, Van Dyke Road and M-59, while Mound Road is a secondary commercial corridor. These corridors contain many regional commercial uses, including national chain stores and big box retailers. The Lakeside Mall area, south of M-59 between Schoenherr and Hayes Roads, is the largest single concentration of regional commercial use in the City. Most other commercial uses within the City are concentrated in smaller commercial nodes at key intersections. Such commercial development usually consists of neighborhood commercial uses including grocery stores, convenience stores, gas stations, and retail strip centers with various uses.

**Table 1**  
**Existing Land Use Acreage by Category**  
**City of Sterling Heights, 1985 - 2015**

Land Use Category	2015		2003		1985	
	Acres	% of Total	Acres	% of Total	Acres	% of Total
<b>Residential</b>	<b>10,698.9</b>	<b>45.5%</b>	<b>10,823.9</b>	<b>46.0%</b>	<b>6,874.0</b>	<b>29.2%</b>
Single Family Residential	8,500.8	36.1%	9,224.1	39.2%	6,080.0	25.9%
Multiple Family Residential	1,917.8	8.2%	1,359.5	5.8%	564.7	2.4%
Manufactured Home Park	280.3	1.2%	240.3	1.0%	229.3	1.0%
<b>Commercial</b>	<b>1,400.4</b>	<b>6.0%</b>	<b>1,322.3</b>	<b>5.6%</b>	<b>623.7</b>	<b>2.7%</b>
<b>Office</b>	<b>403.8</b>	<b>1.7%</b>	<b>256.4</b>	<b>1.1%</b>	<b>130.6</b>	<b>0.6%</b>
<b>Industrial</b>	<b>2,473.6</b>	<b>10.5%</b>	<b>2,508.3</b>	<b>10.7%</b>	<b>1,466.5</b>	<b>6.2%</b>
<b>Institutional</b>	<b>6,902.3</b>	<b>29.4%</b>	<b>7,272.8</b>	<b>30.9%</b>	<b>5,959.2</b>	<b>25.3%</b>
Parks/Public Open Space	1,119.2	4.8%	1,061.2	4.5%	1,295.0	5.5%
Public/Semi-Public	549.1	2.3%	421.6	1.8%	793.1	3.3%
Municipal Buildings	40.0	0.2%	106.0	0.5%	--	--
Golf Courses	662.0	2.8%	661.0	2.8%	--	--
Schools	644.4	2.7%	689.6	2.9%	--	--
Rivers/Lakes	135.3	0.6%	196.5	0.8%	85.3	0.4%
Roads/Railroads	3,206.8	13.7%	3,651.8	15.5%	3,131.3	13.4%
Utilities	545.5	2.3%	485.1	2.1%	654.5	2.8%
<b>Vacant</b>	<b>1,610.0</b>	<b>6.9%</b>	<b>1,317.3</b>	<b>5.6%</b>	<b>8,460.0</b>	<b>36.0%</b>
<b>Total</b>	<b>23,489.0</b>	<b>100.0%</b>	<b>23,514.0</b>	<b>100.0%</b>	<b>23,514.0</b>	<b>100.0%</b>

Source and Notes: The 2015 land use data was compiled by Wade Trim in June of 2015. City of Sterling Heights total land acreage is based on 2014 Macomb County Geographic Framework Base data from the Michigan Geographic Data Library (MIGDL). Total acreage of rivers and lakes is based on a river and lake polygon GIS layer obtained from the City of Sterling Heights, 2015. Some differences between the 2015, 2003 and 1985 land use data calculations are the result of different methods of measuring and computing acreage. The 2005 Master Land Use Plan was the source for the 2003 land use data. The sum total of the 2003 land use data equals 23,501.0 but was listed as 23,514.0 in Table 7 of the 2005 Master Land Use Plan. The 1985 Master Plan was the source for the 1985 land use data. In 1985, different categorizations of institutional land uses were utilized.

Office Land Uses

Office land use occupies 403.8 acres or 1.7% of the City. Office uses are most often intermixed with commercial uses along the City's major commercial corridors and nearby the major road intersections.

Industrial Land Uses

Industrial land use accounts for 10.5% of the total land of City, or 2,473.6 acres. Almost all of the industrial land is located between Van Dyke and Mound Roads, within an approximately one-mile wide and six-mile long planned industrial corridor which splits the City's generally into two-halves. Industrial land uses are characterized by both heavy and industrial uses, including auto and auto parts manufacturing, and light industrial uses. Industrial development that has occurred since the 1985 land use survey has largely been in the form industrial parks and other light industrial development, and has been located along the entire length of Mound Road on the west side of the industrial corridor.

### Institutional Land Uses

Institutional use (including numerous “sub-categories”) makes up 29.4% of the City’s total land. Generally, institutional uses are scattered throughout the City to serve the City’s many residential areas. However, one particular concentration of institutional use is found within the Clinton River corridor between Utica Road and Clinton River Road, consisting of large recreational areas in addition to the City’s governmental center located at the intersection of Utica Road and Dodge Park Road.

### **Non-Conforming Land Use Analysis**

Completion of the existing land use inventory provides the ability to identify existing non-conforming uses within the City of Sterling Heights, by comparing land use field data against the City Zoning Ordinance text and map. This non-conforming land use analysis can be used for a variety of purposes, including allowing City staff to monitor non-conforming land uses and guard against their unauthorized expansion, or help the City institute proceedings for their condemnation and removal in accordance with the Michigan Zoning Enabling Act. Additionally, the non-conforming use analysis could help to identify locations in the City where codes have unintentionally caused non-conforming land use conditions.

### **Methodology**

In order to identify potential non-conforming uses within the City, a matrix of allowable land uses by zoning district was prepared (**Table 2**). This matrix lists the 93 total land use types which are specifically listed as being allowed within the City Zoning Ordinance. The matrix then shows the various existing zoning districts established and notes (with an “X”) whether the specific land use classification is allowed within the zoning district, either as a principal permitted use or a special land use.

**Table 2  
Matrix of Allowable Land Uses by Zoning District  
City of Sterling Heights, 2015**

Existing Land Use Classification	Zoning Districts																		
	R-60 & 70	R-80, 90 & 100	R-2	MHP	RM-1 & RM-2	RM-3	O-1	O-2	O-3	C-1	C-2	C-3	C-4	P-1	FP	O-R	TRO	M-1	M-2
Adult Entertainment Establishments											X								
Agriculture	X	X													X				
Ambulance Service Dispatch																	X	X	X
Amusement Device Centers											X	X							
Auto, Gasoline Service Stations												X							
Auto, Impound Lots																		X	X
Auto, Sales Dealerships & Rental												X						X	X
Auto, Service Centers (General)																		X	X
Auto, Service Centers (Part of Planned Development)											X	X	X						
Auto, Wash Establishments												X							
Banquet Facilities												X							
Building Construction Contractors																		X	X
Cemeteries	X	X	X																
Central Dry Cleaning Plants and Laundries																		X	X
Child Care Centers							X	X	X	X									
Clubs, Private	X	X	X					X					X						
Concrete and Asphalt Crushing Plants																			X
Dance Halls												X							
Dwellings, Assisted Living	X		X		X		X	X											
Dwellings, Boarding Houses					X														
Dwellings, Independent Living					X	X													
Dwellings, Mobile Home Parks				X															
Dwellings, Multi Family (Low Rise 2 or Less Stories)					X	X							X						
Dwellings, Multi Family (Low Rise 3 Stories)					X	X							X						
Dwellings, Multi Family (Mid to High Rise 3+ Stories)						X							X						
Dwellings, One Family Detached	X	X																	

Table 2 (cont.)

Existing Land Use Classification	Zoning Districts																		
	R-60 & 70	R-80, 90 & 100	R-2	MHP	RM-1 & RM-2	RM-3	O-1	O-2	O-3	C-1	C-2	C-3	C-4	P-1	FP	O-R	TRO	M-1	M-2
Dwellings, One Family Detached	X	X																	
Dwellings, Rehabilitation Centers					X														
Dwellings, Two Family			X																
Education, Higher Institutions	X	X	X					X					X			X	X	X	X
Education, Primary Schools	X	X	X																
Funeral Homes								X				X							
Hospitals								X											
Industrial, Recycling Stations																			X
Industrial, Refuse and Garbage Incinerators																			X
Institutions, Post Offices, Public Facilities and DPW Yards																		X	X
Institutions, Public (City)	X	X	X										X		X				
Institutions, Public (Non-City)	X	X	X								X	X	X						
Junkyards																			X
Kennels																		X	X
Lodging, Hotels and Motels								X				X	X						
Manufacturing, Assembly of Electronics and Machines																	X	X	X
Manufacturing, Heavy																			X
Manufacturing, Light																		X	X
Nonautomotive Paint Shops																		X	X
Offices, professional							X	X	X	X	X	X				X	X	X	X
Parking Lots, Off-Street														X	X				
Parking Lots, Structures														X					
Personal Service, Appliance Repair												X							
Personal Service, Body Art Facilities											X								
Personal Service, General										X	X	X	X						
Places of Worship	X	X	X		X	X													
Printing and Publishing																X	X	X	X
Public Utilities, Local Service	X	X	X		X	X	X	X	X	X	X	X	X	X		X	X	X	X
Public Utilities, Regional Service	X	X	X		X	X	X	X	X	X	X	X	X		X	X	X	X	X
Recreation, Bowling Alleys												X							

Table 2 (cont.)

Existing Land Use Classification	Zoning Districts																		
	R-60 & 70	R-80, 90 & 100	R-2	MHP	RM-1 & RM-2	RM-3	O-1	O-2	O-3	C-1	C-2	C-3	C-4	P-1	FP	O-R	TRO	M-1	M-2
Recreation, Commercial Indoor or Outdoor																		X	X
Recreation, Golf Courses	X	X	X												X				
Recreation, Miniature Golf and Golf Driving Ranges												X							
Recreation, Non-Commercial Recreation Centers								X											
Recreation, Physical Fitness Facilities											X	X	X						
Recreation, Public Riding Stables	X	X	X																
Recreational Vehicle Storage																		X	X
Research, Development and Testing Facilities													X			X	X	X	X
Research, Medical Tech Facilities																X	X	X	X
Restaurants (Including Drive Thru)											X	X	X						
Restaurants (No Drive Thru)									X	X	X	X	X						
Retail, Art Galleries												X	X						
Retail, Auto Supply Stores										X		X							
Retail, Building Materials and Outdoor Supply Stores												X							
Retail, Bulk Food Stores											X	X							
Retail, Department Stores											X	X							
Retail, General										X	X	X	X						
Retail, General Merchandise Store											X	X							
Retail, Home Furnishing Stores										X	X	X							
Retail, Jewelry								X		X	X	X	X						
Retail, Multi-Tenant Shopping Center																			
Retail, Nursery, Lawn and Garden Stores											X	X							
Retail, Office Supplies								X	X										
Retail, Pawnbrokers											X								
Retail, Regional Shopping Centers											X								
Retail, Supermarkets										X	X	X							

Table 2 (cont.)

Existing Land Use Classification	Zoning Districts																			
	R-60 & 70	R-80, 90 & 100	R-2	MHP	RM-1 & RM-2	RM-3	O-1	O-2	O-3	C-1	C-2	C-3	C-4	P-1	FP	O-R	TRO	M-1	M-2	
Self-Storage Facilities												X								
Studios									X		X	X								
Theaters, Auditoriums, Concert Halls and Similar Places of Assembly													X							
Theaters, Movie											X	X								
Tool Rentals												X								
Truck Terminals and Truck Storage Yards																				X
Truck, Equipment, RV, Boat, Mobile Home Rentals																		X	X	
TV and Radio Broadcast Stations																	X			
Union Halls																		X	X	
Veterinary Offices										X	X	X								
Warehouses and Wholesale Establishments																	X	X	X	
Wireless Communication Towers							X	X	X	X	X	X	X	X	X	X	X	X	X	X

Table 2 Notes:

1. X = Allowable Use (Principal Permitted Use or Special Land Use)
2. The PCD (Planned Center District) allows broad mix of land uses upon review and approval of the City and thus has not been included in the matrix.
3. All vacant land uses have been classified as conforming uses.
4. For geographic distribution of zoning districts, refer to the City of Sterling Heights Zoning District Map.

Source: Wade Trim Analysis based on June 2015 existing land use survey and City of Sterling Heights Zoning Ordinance text and map, Ordinance 278-1 through 278-170.

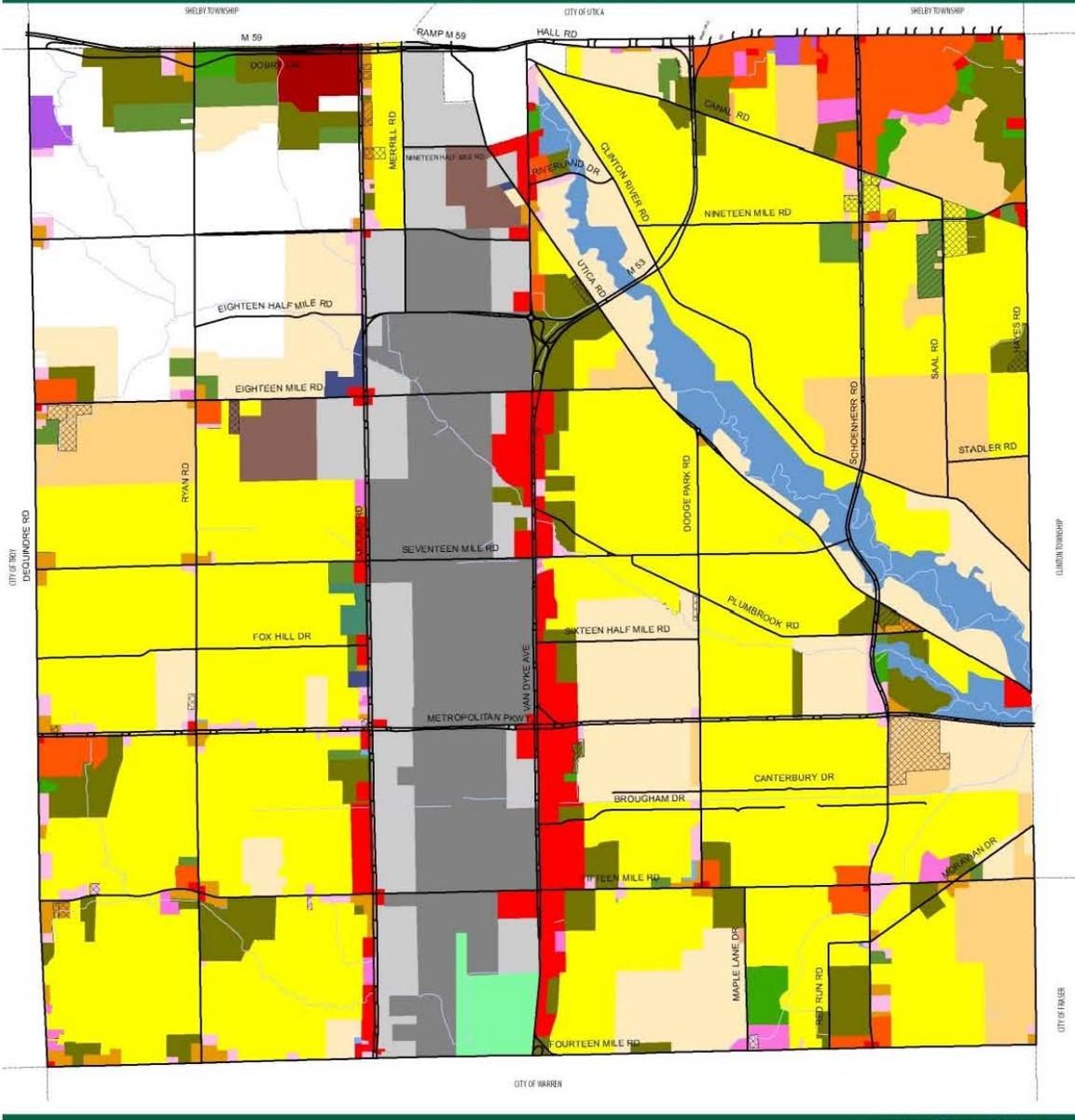
Each parcel in the City was then coded into one of the 93 specific land use categories. In order to accomplish the analysis, the generalized land use classifications shown on the Existing Land Use Map (i.e., "Commercial") were further divided into such categories as "Banquet Facilities" and "Retail, Supermarkets". Next, each parcel was coded its current zoning district classification, based on the City of Sterling Heights **Zoning Districts Map**. Finally, a comparison was made between the land use classifications and zoning districts in order to determine which parcels were conforming or non-conforming.

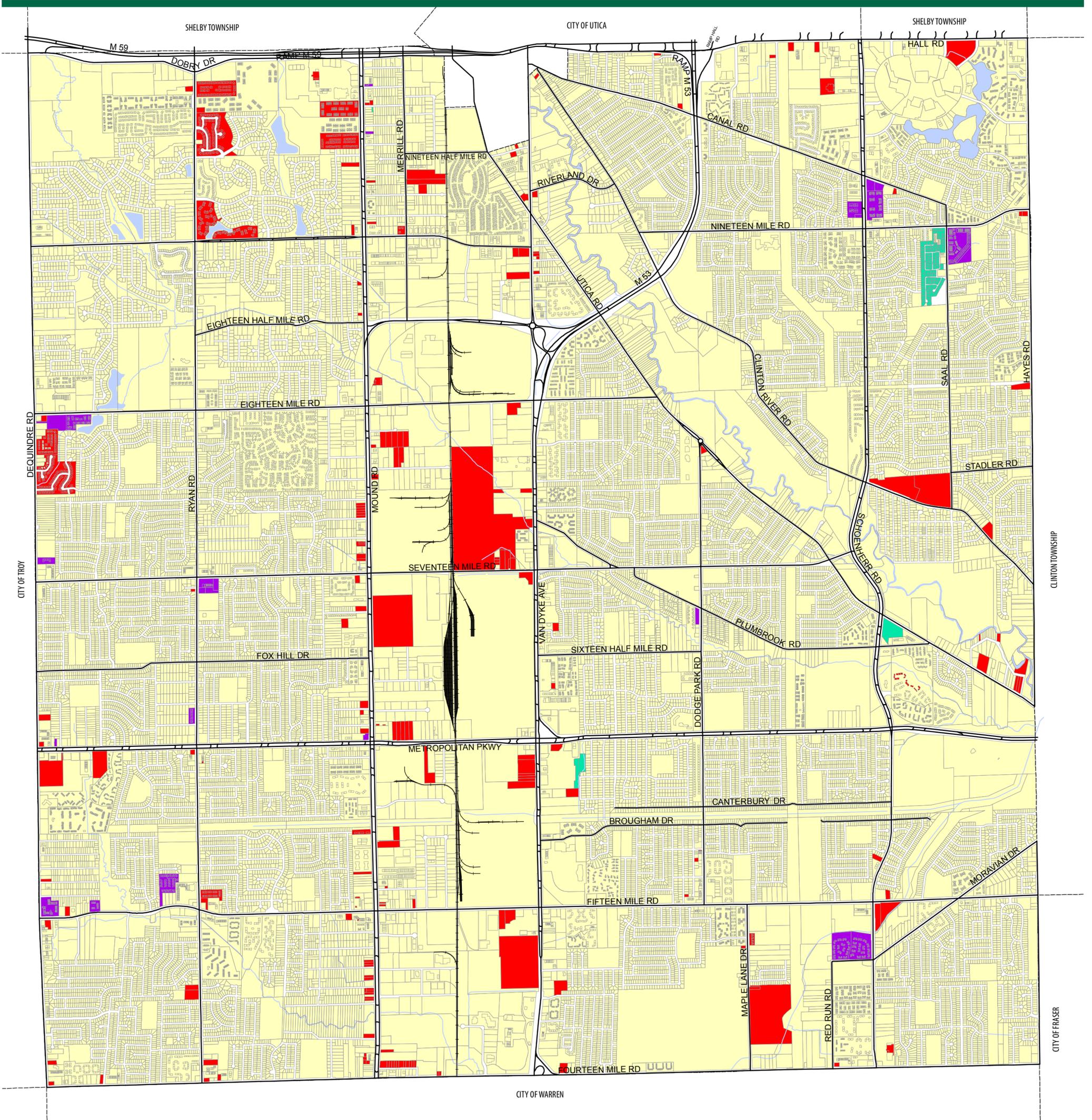
# Zoning Districts Map



R-100	R-2	RM-3	C-1	P-1	M-1	Consent Judgement
R-80	MHP	O-1	C-2	FP	M-2	Contract Zone
R-70	RM-1	O-2	C-3	O-R	TRO	
R-60	RM-2	O-3	C-4	PCD		

Source: City of Sterling Heights, 2015





## Non-Conforming Use Map

- |  |                                    |  |                  |
|--|------------------------------------|--|------------------|
|  | Conforming Land Use                |  | Primary Roads    |
|  | Non-Conforming Land Use            |  | Municipal Limits |
|  | Non-Conforming / Consent Judgment* |  | Water Features   |
|  | Non-Conforming / Contract Zone**   |  | Rivers/Lakes     |

\*Parcel is non-conforming based on underlying zoning district; however, the parcel is part of a consent judgment agreement which may make it a legal conforming use.

\*\*Parcel is non-conforming based on underlying zoning district; however, the parcel is part of a contract zone agreement which may make it a legal conforming use.

Source: Wade Trim Field Survey, June 2015



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## Analysis

Out of more than 50,000 total parcels within the City, a total of 992 were flagged as having a non-conforming use. The locations of these non-conforming parcels are shown on the **Non-Conforming Use Map**. The map also flags parcels which were identified as non-conforming based on the land use and zoning district comparison, but are part of a consent judgment or contract zone agreement. In these cases, such agreements such land uses may actually be deemed legal conforming uses depending on the terms of the consent judgment or contract zone.

Non-conforming uses can be found scattered throughout the City. However, they are more commonly found fronting the primary north-south and east-west roadways. Of these major roadways, the Mound Road and Van Dyke Avenue corridors feature the largest concentration of non-conforming uses. Few non-conforming land uses are found within the residential neighborhoods.

The non-conforming land use results are further summarized by land use category in **Table 3**. Of the 992 total parcels with non-conforming uses, the largest number (454) contain two-family dwellings. Two-family dwellings are allowed by the City Zoning Ordinance only within the R-2 District. Most commonly, the non-conforming two-family uses are located on parcels zoned RM-1 District. Another common non-conforming use found in the City is multi-family dwellings (low rise, two stories or less), totaling 332 parcel instances, most commonly zoned R-100 District. Multi-family dwellings (low rise, two stories or less) are allowed by the City Zoning Ordinance only within the RM-1, RM-2 and RM-3 Districts. A total of 66 non-conforming use parcels within the City contain one-family detached dwellings. Most commonly, these non-conforming land use parcels are zoned M-1 District.

**Table 3**  
**Non-Conforming Use Summary**  
**City of Sterling Heights, 2015**

Non-Conforming Use Classification	Total Non-Conforming Parcel Count	Most Common Zoning District Designation (current)
Adult Entertainment Establishments	1	C-3
Auto, Gasoline Service Stations	5	C-1
Auto, Service Centers (General)	21	C-3
Building Construction Contractors	7	R-80
Child Care Centers	4	R-60
Clubs, Private	2	O-1, C-1 (tied)
Concrete and Asphalt Crushing Plants	17	M-1
Dwellings, Assisted Living	1	RM-3
Dwellings, Multi Family (Low Rise 2 or Less Stories)	332	R-100
Dwellings, One Family Detached	66	M-1
Dwellings, Two Family	454	RM-1
Education, Primary Schools	2	O-1
Funeral Homes	2	O-1
Hospitals	1	C-2
Industrial, Recycling Stations	3	M-1

**Table 3 (cont.)**

<b>Non-Conforming Use Classification</b>	<b>Total Non-Conforming Parcel Count</b>	<b>Most Common Zoning District Designation (current)</b>
Industrial, Recycling Stations	3	M-1
Institutions, Public (City)	1	M-2
Manufacturing, Heavy	2	M-1
Manufacturing, Light	2	C-3
Offices, Professional	1	R-60
Personal Service, Body Art Facilities	1	C-3
Personal Service, General	1	O-1
Places of Worship	12	C-2
Public Utilities, Regional Service	1	FP
Recreation, Bowling Alleys	3	C-2
Recreation, Golf Courses	1	M-1/M-2 Split Zone
Recreation, Non-Commercial Recreation Centers	3	R-70
Recreation, Physical Fitness Facilities	1	C-1
Recreational Vehicle Storage	1	RM-3
Restaurants (Including Drive Thru)	4	C-1
Restaurants (No Drive Thru)	3	O-3
Retail, Building Materials and Outdoor Supply Stores	5	M-1
Retail, General	6	O-1, M-1 (tied)
Retail, Home Furnishing Stores	2	M-1
Retail, Nursery, Lawn and Garden Stores	2	R-60
Retail, Office Supplies	1	C-3
Retail, Pawnbrokers	2	C-3
Retail, Supermarkets	3	C-4
Self Storage Facilities	3	M-1
Truck Terminals and Truck Storage Yards	9	M-1
Union Halls	3	C-3
Veterinary Offices	1	O-1
<b>Total</b>	<b>992</b>	

Source: Wade Trim analysis

## Natural Systems Assessment

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The Natural Features Assessment provides a description and analysis of the significant natural features within the City. These features include rivers and tributaries, bodies of water, wetlands, floodplains, woodlands and other habitat, and topography.

The assessment of natural features may impact future land use decisions, and the preservation of these features may significantly improve the quality of life for citizens and visitors to the community. Additionally, identification of natural features is essential for recreation planning, and increasingly for economic development initiatives that are tied to recreation.

### Clinton River Watershed and Subwatersheds

The City of Sterling Heights falls entirely within the Clinton River Watershed, which is a portion of the Lake St. Clair Regional Sub-basin. The City contains two subwatersheds of the Clinton River Watershed: the Red Run Subwatershed and the Clinton River East Subwatershed.

The Red Run Subwatershed contains the majority of land in the City; the northeastern portion of the City is within the Clinton River East Subwatershed. The Clinton River is the most prominent waterway in the City, running through the northeastern portion; other significant tributaries located within the City include the Red Run Drain, the Plum Brook Drain, Big Beaver Drain, Crissman Drain, McCoy Drain, Gibson Drain, and many smaller tributaries.

Rapid urban expansion and subsequent losses in habitat, alterations in riparian corridors, and increases in impervious surfaces and flooding over the last fifty years or more have resulted in the Michigan Department of Natural Resources (MDNR) listing the entire Clinton River Watershed and the near shore area of Lake St. Clair an Area of Concern (AOC) in 1995. Several concerns were cited in the Clinton River Remedial and Preventative Action Plan that described why the river was listed as an AOC. These concerns were: 1) conventional pollutants including high fecal coliform bacteria and nutrients, 2) high total dissolved solids, 3) contaminated sediments including heavy metals, PCBs, oil and grease, and 4) impacted biota. Many old closed landfills in the watershed are also of concern. The TMDL for E. coli in the Red Run Drain and Bear Creek was established in September 2006.

Many projects are currently underway to address Areas of Concern, such as extensive water quality monitoring on the Clinton River, St. Clair River, and Lake St. Clair; bacterial source monitoring; several wastewater treatment system upgrades; SSO and CSO corrections; and numerous other nonpoint pollution control projects are either in progress or in the planning stages.

The Clinton River Watershed Council, an organization whose mission is to preserve and enhance the quality of the Clinton River Watershed and Lake St. Clair, is comprised of governmental, business, and civic members who work through a Board of Directors to achieve mutual goals. Sterling Heights is a member of the Watershed Council. The Council provides educational and conservation resources to assist member communities in their efforts to preserve water quality. These resources may in turn form the basis of land use policies or regulations that may be formally adopted by the City of Sterling Heights and implemented when reviewing development proposals.

## Bodies of Water

While lakes are not prevalent in the City, several bodies of water exist. The largest bodies of water are the lakes just south and east of Lakeside Mall in the northeastern portion of the City. Island Park is located interior to the southern-most lake. Commercial and residential development surround the lakes.

Bodies of water exist within the Clinton River Park areas and Joseph J. Delia Jr. Park. Other smaller bodies of water exist in association with wetlands throughout the City, and as storm water control facilities in association with both residential and commercial development.

## Wetlands and Floodplains

Wetlands within the City are primarily located in association with waterways; the largest areas of wetlands are in association with the Clinton River. The locations of wetlands within the City are shown on the **Wetlands and Floodplains Map**, based on data provided by the National Wetlands Inventory as maintained by the U.S. Fish and Wildlife Service. Generally, wetland areas are most commonly found in the northern half of the City along the Clinton River, Plumbrook Drain and Crissman Drain. Some larger areas of wetlands are also found within the industrial corridor of the City located between Mound Road and Van Dyke Avenue.

Wetlands are specifically defined by the State of Michigan in Part 303 of the Natural Resources and Environmental Protection Act. Wetlands of over five acres in size are protected by the State, as well as wetlands of five acres or less which are contiguous to a body of water (lake, pond, river or stream), and other essential wetlands that may be identified by the State.

Local units of government may take additional steps to protect wetlands that are not otherwise protected by the State, such as with vegetated buffers and construction setbacks. Sterling Heights may wish to adopt regulations which further protect wetlands not currently protected by the State.

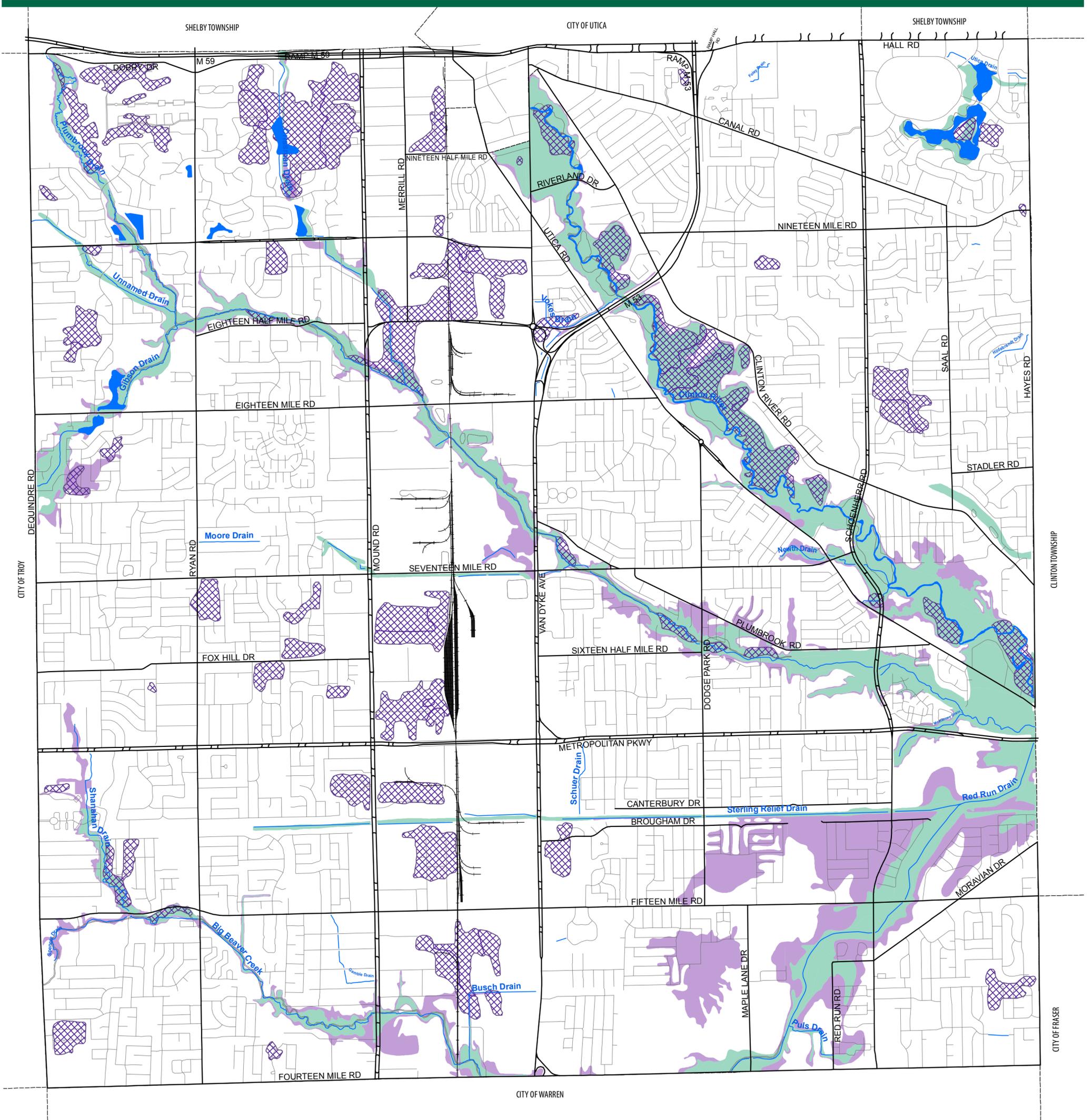
Floodplains are identified according to criteria established by FEMA (Federal Emergency Response Administration) and are mapped on Federal Insurance Rate Maps (F. I. R. M.). The **Wetlands and Floodplains Map** shows the locations of 100-year flood zones and 500-year flood zones within the City. These flood zones are commonly adjacent to waterways and drains, particularly the Clinton River, Plumbrook Drain and Red Run Drain. For properties within the 100-year flood zone, flood insurance is required for mortgages that are federally backed through the National Flood Insurance Program.

Article 16 of the City of Sterling Heights Zoning Ordinance regulates development in the floodplain area.

## Woodlands

Since the City is largely developed, significant woodlands are not present within the City, with the exception of those areas near the Clinton River, other waterways and areas within parks. Several wooded areas near residential subdivisions have been preserved.

The City has adopted regulations for tree management in public places and rights-of-way found in Article I of Chapter 51 of the Codes and Ordinances of the City and has adopted a Tree Preservation Ordinance found in Article III of Chapter 51. An Official Woodlands Map has been adopted by the City as part of the Tree Preservation Ordinance, and is available for review in the office of the City Clerk.



## Wetlands and Floodplains Map

- |              |                                 |  |                  |
|--------------|---------------------------------|--|------------------|
|              | Water Features                  |  | Primary Roads    |
|              | Rivers/Lakes                    |  | Secondary Roads  |
|              | Wetlands                        |  | Railroads        |
| Flood Zones: |                                 |  | Municipal Limits |
|              | Area Within 100-Year Flood Zone |  |                  |
|              | Area Within 500-Year Flood Zone |  |                  |

Source: FEMA, F.I.R.M. Maps, 2015; U.S. Fish and Wildlife Service, National Wetlands Inventory, 2015.



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## Topography

Topography within the City is generally level, and does not present a challenge to future land use.

## Green Infrastructure and Natural Features Inventory

Regional planning agencies including SEMCOG and Macomb County have focused on the preservation and enhancement of green infrastructure elements at the county and region level. Green infrastructure refers to natural elements and related land uses including parks, lakes, ponds, existing and potential wetlands, riparian corridors and similar features. Green infrastructure is increasingly being recognized for its contribution not only to environmental quality, but also to placemaking, economic values, and healthy communities.<sup>8</sup> In 2014, SEMCOG prepared a report entitled Green Infrastructure Vision for Southeast Michigan, which is a framework and guide for the preservation and future implementation of green infrastructure within Southeast Michigan. At the county level, Macomb County has mapped existing and potential green infrastructure elements. Within Sterling Heights, such elements include potential wetlands, water bodies, Michigan Natural Features Inventory elements, parks, woodlots, and riparian corridors. The principal green infrastructure areas/corridors within the City include: the Clinton River and adjacent wetlands, floodplains and recreation areas; the Red Run Drain and adjacent floodplains; the Big Beaver Creek and adjacent wetlands, floodplains and recreation areas; and, the lands including and adjacent to the Plumbrook Nature Preserve in the northwestern portion of the City.

Michigan Natural Features Inventory elements that are present within the County are discussed in a document entitled *Lake St. Clair Habitat Evaluation Study*, dated November of 2012. Ecological summaries were prepared for several sites within the City of Sterling Heights, including Dodge Park and the surrounding lands along the Clinton River. Several natural communities exist within the park, including dry-mesic oak forest, emergent marsh, inundated shrub-swamp, and a sapling-pole stand. More detailed information on this area may be found in the *Lake St. Clair Habitat Evaluation Study*. Disturbances and threats, as well as stewardship considerations are also included in the study.

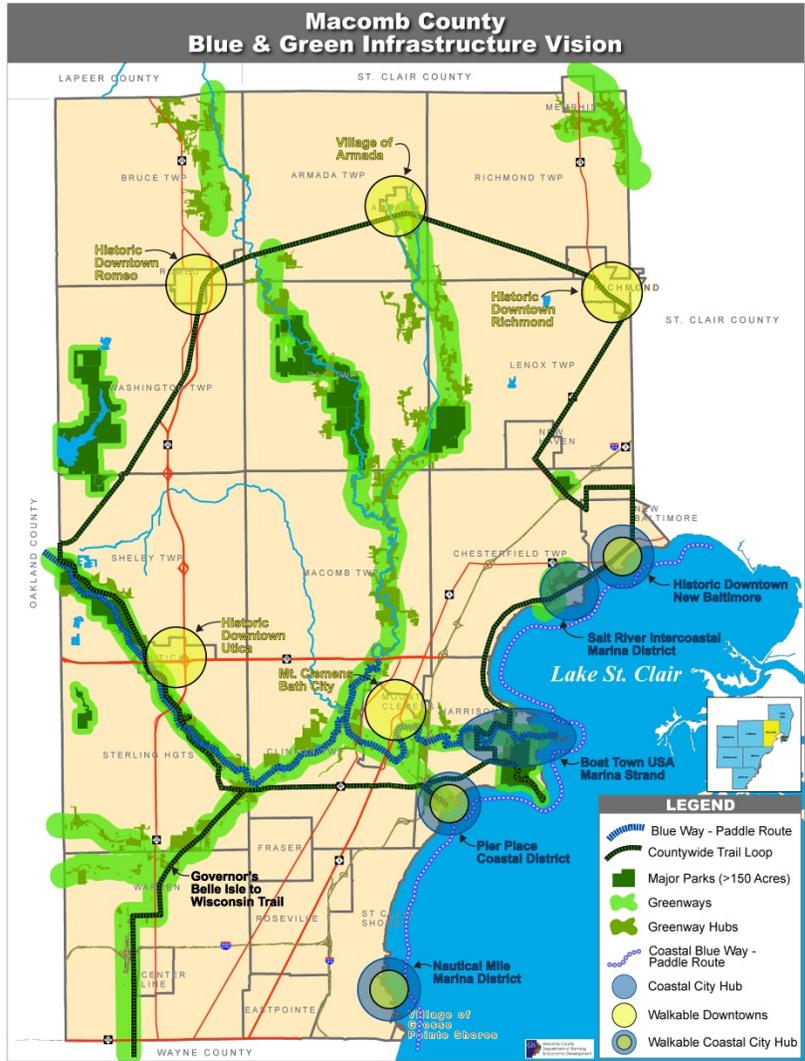
Aquatic sampling was done at several points along the Clinton River within the City; these samplings are detailed within the *Lake St. Clair Habitat Evaluation Study*. The study outlines “potential conservation areas” within the City of Sterling Heights including lands along the main branch of the Clinton River within the City and the area including and adjacent to the Plumbrook Nature Preserve.

### **Blue and Green Infrastructure Vision**

Embracing the quality of life, placemaking and economic benefits of green infrastructure as well as blue (water-related) infrastructure, Macomb County has identified and adopted a blue and green infrastructure vision of interconnected water routes, trail and natural corridors, recreation areas, walkable downtowns and coastal city hubs. This vision is highlighted in the **Macomb County Blue & Green Infrastructure Vision Map**. Key contributing elements of this vision within Sterling Heights include the Clinton River corridor, Clinton River Trail, Clinton River Water Trail, Plumbrook Nature Preserve, Red Run Drain corridor, Big Beaver Creek corridor, and the planned Governor’s Belle Isle to Wisconsin Trail.

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<sup>8</sup> Green Infrastructure Vision for Southeast Michigan. SEMCOG, 2014.



### Special Development Option Ordinance

The City of Sterling Heights Zoning Ordinance contains regulations which have resulted in the preservation of over 425 acres of privately held open space since the regulations were adopted in 1990. These regulations, found in Article 22 of the Zoning Ordinance, include the one-family cluster option, the planned subdivision option, and the Planned Unit Development (PUD) option.

The purpose of these options is to permit single family residential development which, through design innovation, preserves desirable open space in the form of wetlands, woodlands and other natural assets. In the case of PUD's, innovation in design for non-residential uses is permitted.

# Infrastructure Assessment

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## Transportation Network Assessment

Mobility constitutes a vital part of the social and economic well-being of a community. A successful transportation system is one that enhances the mobility of residents by providing efficient access from home to work and other facilities supplying basic needs. A successful transportation system also contributes to the success of businesses and industries, and allows for outside investment by attracting visitors to the community. Given the transportation system's great influence upon the overall framework and well-being of the community, the transportation element must be fully coordinated with the other elements of the Master Plan. Therefore, the purpose of this section is to ensure that future improvements and land use decisions complement the needs and goals within the community for continued and improved mobility.

### *National Functional Classification (NFC)*

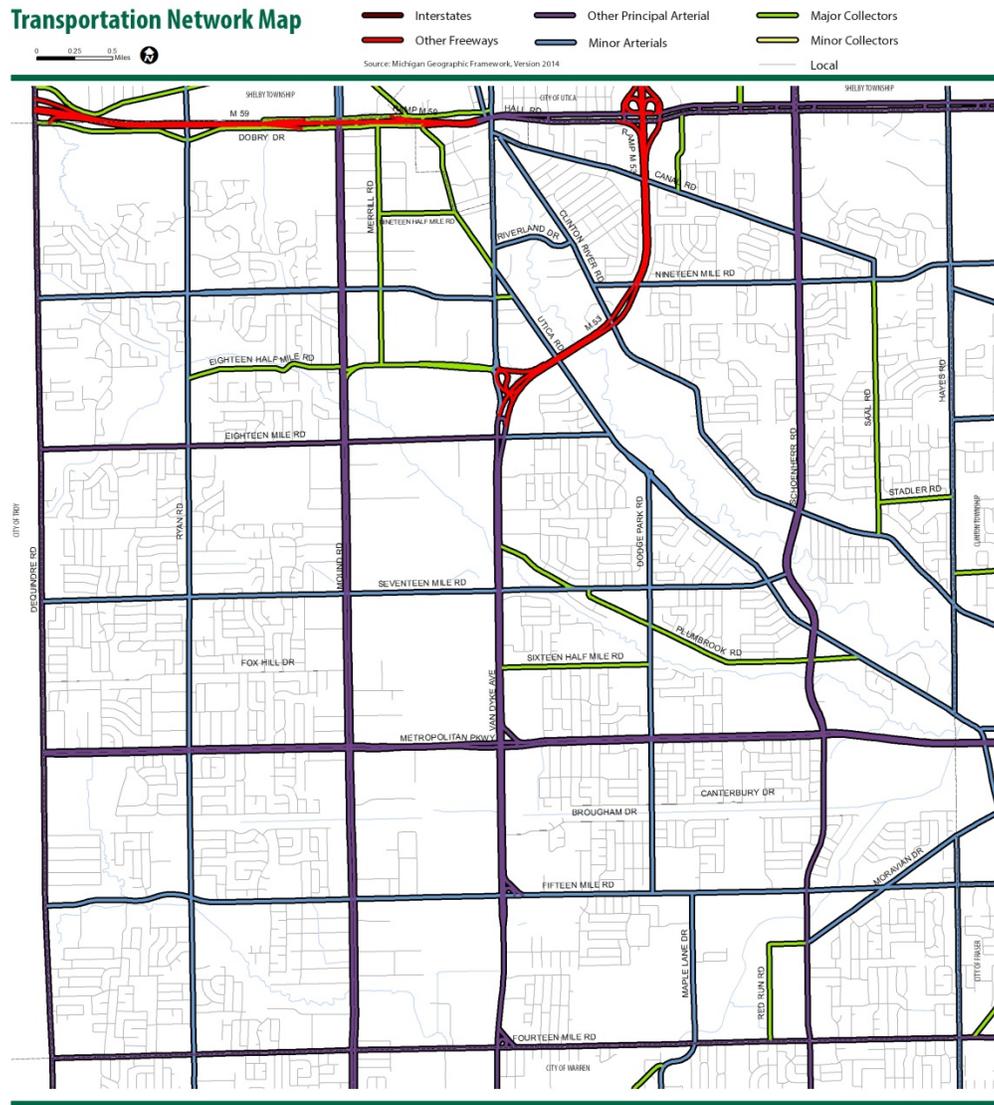
The **Transportation Network Map** shows the National Functional Classification of the City of Sterling Heights's roads. The National Functional Classification (NFC) is a federal classification system for all public highways, roads, and streets. This classification system provides the basis for federal aid eligibility of roadways (United States Code, Title 23). In Michigan, MDOT has the primary role in cooperation with appropriate local agencies in updating and revising the NFC. Updates and revisions are subject to Federal Highway Administration approval.

Roads are classified first as rural or urban, dependent based on their location within or outside the federal aid urban/rural boundary. All of the roads and streets in Sterling Heights are designated as urban. The two primary considerations in classifying highway and street networks functionally are access to property and travel mobility, as defined by trip travel time or operating speed. For example, local roads provide access to property, but would be rated low in mobility. The basic classifications for the functional systems are:

- Arterial highways, which generally • handle longer trips and operate at higher and more uniform speeds;
- Collector roads, which collect and disperse traffic between arterials and the local roads; and,
- Local roads, streets, and other public ways, which serve the land access function to the residential areas, businesses, individual properties, and other local areas.

Interstates and freeways are at the top of the NFC system hierarchy. Portions of two freeways (non-interstate) extend into Sterling Heights, including M-53 and M-59. Numerous road segments in Sterling Heights are classified as arterials. Arterial routes are designed to provide for relatively high travel speeds and minimum interference to through movement. Principal arterials generally carry long distance, through travel movements between cities and provide access to important traffic generators, such as major airports or regional shopping centers. Minor arterials are similar in function to principal arterials, except they carry trips of shorter distance and to lesser traffic generators. Principal arterials within Sterling Heights include Hall Road (M-59), Van Dyke Avenue (M-53), Mound Road, 14 Mile Road, Metropolitan Parkway, Dequinre Road and Schoenherr Road. Minor Arterials include 19 Mile Road, 17 Mile Road, 15 Mile Road, Canal Road, Clinton River Road, Utica Road, Dodge Park Road, Ryan Road, Hayes Road and Moravian Drive.

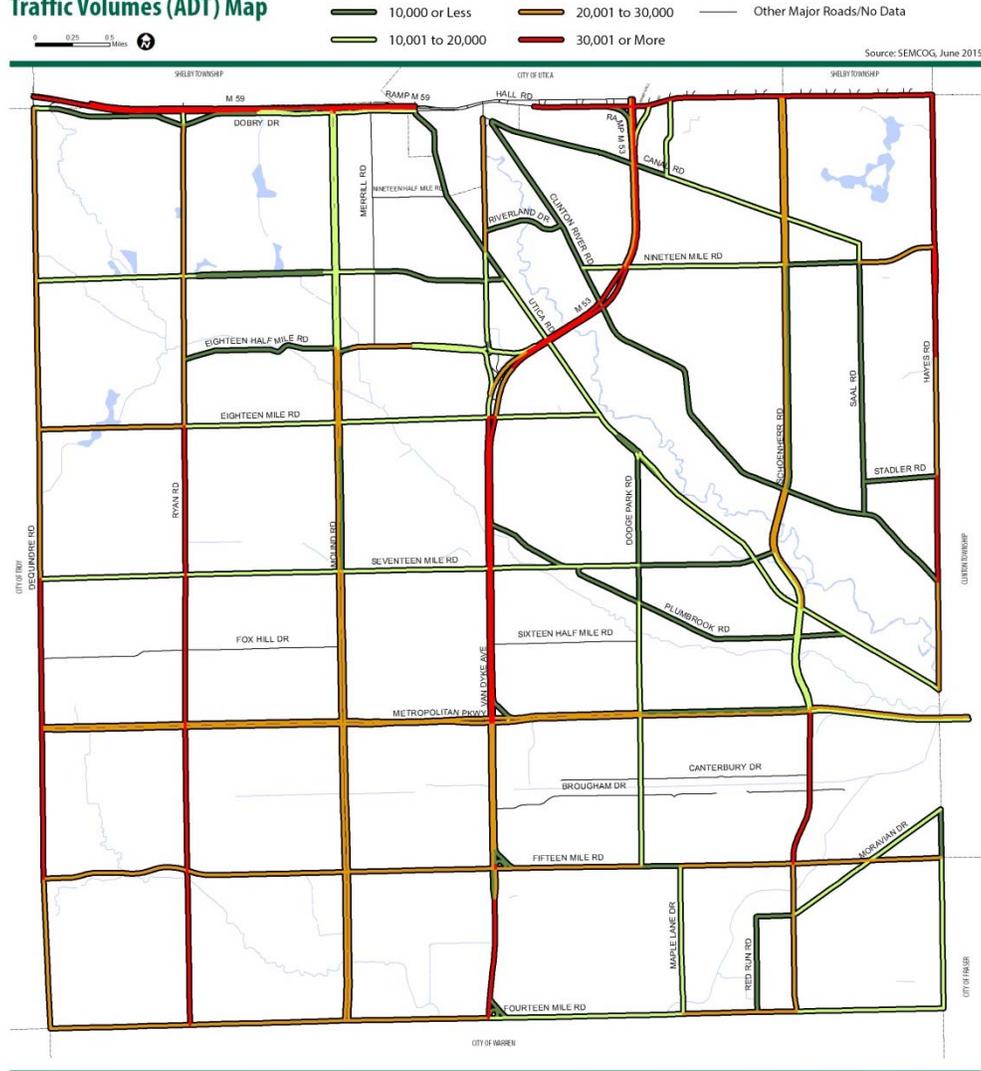
Collector roads tend to provide more access to property than do arterials. Collectors also funnel traffic from residential or rural areas to arterials. Several major collectors are located in Sterling Heights, including Merrill Road, 18 ½ Mile Road, Saal Road, and Plumbrook Road.



### Traffic Volumes

The **Traffic Volumes Map** displays twenty-four hour Average Daily Traffic (ADT) counts for selected road segments within Sterling Heights. These traffic counts were obtained from SEMCOG’s traffic database obtained in June of 2015. For most streets, two-way traffic counts are shown; however, for freeways and other divided streets (Mound, Van Dyke, etc.), one-way traffic counts are shown. The most heavily traveled road segments in Sterling Heights include M-59, Van Dyke Avenue, Mound Road, Metropolitan Parkway, Hayes Road, Ryan Road, and Dequindre Road.

## Traffic Volumes (ADT) Map



## Traffic Crash Statistics

Accident statistics for the City of Sterling Heights for 2012, 2013 and 2014 were obtained from SEMCOG. For the three year span, a total of 12,641 traffic crashes were reported. These included 14 fatal, 66 A-level, 444 B-level, 2,232 C-level and 9,885 PDO accidents. The total number of accidents has increased during the three year span, from 3,905 crashes in 2012, to 4,043 in 2013, to 4,693 in 2014.

Listed by total number of accidents, the highest number of traffic accidents occurred on the following roadways:

1. Van Dyke Ave – 1,667 total accidents
2. Mound Road – 1,279
3. Metropolitan Pkwy – 1,236
4. Schoenherr Road – 1,041
5. Hall Road – 932
6. 15 Mile Road – 830
7. Ryan Road – 599

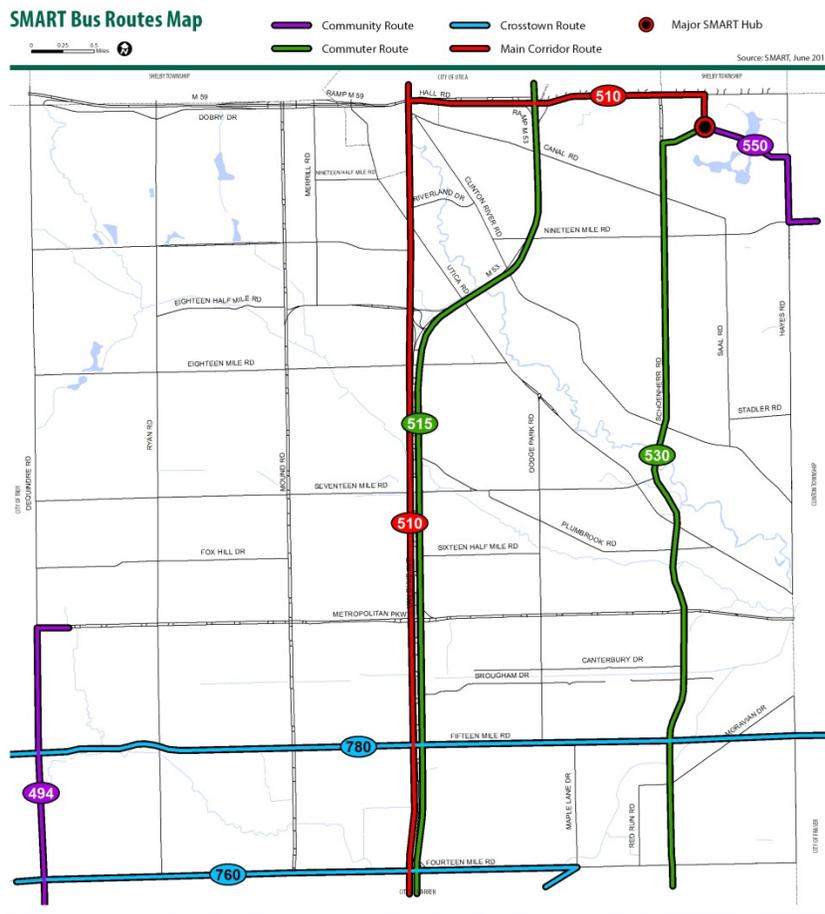
8. Hayes Road – 572
9. Dequindre Road – 460
10. 18 Mile Road - 334

Generally, the traffic accidents which occurred along these roadways during the three year span were not isolated in any particular location; rather, they were fairly evenly distributed along the corridors. However, a review of the accident locations shows a more concentrated number of traffic accidents occurring along the following road segments within the City:

- Hall Road, east of Van Dyke
- Schoenherr Road, between 19 Mile and Hall
- Hayes Road, between 19 Mile and Hall
- Mound Road at Hall Road
- Mound Road, south of Metropolitan Pkwy
- Van Dyke, between 14 Mile and 17 Mile

### Public Transit

Public Transit service is primarily provided through SMART. The **SMART Bus Routes Map** illustrates the locations of SMART bus routes within the City of Sterling Heights. Schoenherr Road and Van Dyke are the primary north-south routes with Fourteen Mile, Fifteen Mile and Hall Road being major the major east-west transit corridors. In addition to main line transit routes, SMART also offers specialized transit services including curb-to-curb connector service and ADA Paratransit service.



## Drinking Water

### Source

The City purchases its drinking water from the Detroit Water and Sewerage Department (DWSD). The water is treated and processed before being delivered to the City's water distribution system.

### Water Quality

The DNRE, in partnership with the U.S. Geological Survey, the DWSD and the Michigan Public Health Institute, performed a source water assessment to determine the susceptibility of potential contamination. The susceptibility rating is on a seven-tiered scale from very low to high based primarily on geologic sensitivity, water chemistry and contaminant sources. The Detroit River source water intakes were found to be highly susceptible to potential contamination. The Lake Huron source water intake is categorized as moderately low susceptibility to potential contaminate sources. However, all Detroit water treatment plants that use source water from the Detroit River and the Lake Huron water treatment plant have historically provided satisfactory treatment to meet drinking water standards.

The City of Detroit treatment facilities operate 24 hours a day, seven days a week. The treatment process begins with disinfecting the source water with chlorine to kill harmful microorganisms that can cause illness. Next, a chemical called Alum is mixed with the water to remove the fine particles that make the water cloudy or turbid. Alum causes the particles to clump together and settle to the bottom. Fluoride is also added to protect our teeth from cavities and decay. The water then flows through fine sand filters called beds. These filters remove even more particles and certain microorganisms that are resistant to chlorine. Finally, a small amount of phosphoric acid and chlorine are added to the treated water just before it leaves the treatment plant. The phosphoric acid helps control the lead that may dissolve in water from household plumbing systems.

The chlorine keeps the water disinfected as it travels through the water mains to reach your home. In addition to a carefully controlled and monitored treatment process, the water is tested for a variety of substances before treatment, during various stages of treatment and throughout the distribution system. The DWSD tests hundreds of samples each week in their certified laboratories by a highly qualified, trained staff. Detroit water not only meets safety and health standards, but also ranks among the top 10 in the country for quality and value.

Since 1992, the City of Sterling Heights' water division has been testing homes with plumbing systems that may contribute lead to their household water supply. Of the twenty four (24) homes tested in 2011, none were found to have lead levels above the action level. Homes in Sterling Heights do have copper pipes that, prior to late 1988, were connected by lead solder. Lead solder was widely used prior to being banned in 1988, but it is still available in hardware stores for purposes other than home plumbing. The actual presence of lead connections does not indicate a lead problem. Over time, a protective coating builds up inside the pipe. This coating can reduce the amount of lead that might dissolve in the water. If your home was built prior to 1989, it may have piping that has lead soldered joints. If present, elevated levels of lead can cause serious health problems, especially for women and young children.

Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. The city of Sterling Heights is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components.<sup>9</sup>

## Sanitary Sewer

The City of Sterling Heights maintains and operates its own sanitary and storm sewer systems to ensure proper functioning. Staff of the City's Sewer Division inspect, repair and restore damaged utility structures, sewer lines, and replace the concrete required by these repairs. Included among duties of this Division is the maintenance of retention ponds to assure proper functioning for the temporary retention of storm water drainage. Staff is also responsible for responding to emergency flooding conditions, checking known sanitary sewer system and lift station problem areas for surcharging and proper operation during heavy rainfall.<sup>10</sup>

The key goals of the City's Sewer Division include:

- To provide a systematic preventative maintenance sanitary sewer cleaning program to prevent sewer blockages.
- To provide efficient and economical maintenance, repair and restoration of the City's sanitary and storm sewer systems.
- To provide an efficient, competent and responsible sewer connection utility inspection program.
- To ensure safe, well maintained, functioning storm water retention basins for temporary detention of storm water run-off without damaging our stream ecology while preventing street and basement flooding.
- To minimize infiltration into the sanitary sewer system through inspection and an ongoing rehabilitation program.<sup>11</sup>

## Stormwater<sup>12</sup>

### Overview

The entire City falls within the "urbanized area." Thus, the storm water regulations apply to all the separate municipal storm sewer systems (MS4s) within the City limits. As of 2010, when the City last updated its Stormwater Management Plan (SWMP), there were 700 properties in the City that are served by on-site septic systems.

There are two nested school districts within the City of Sterling Heights. They are the Utica Community School District and Warren Consolidated School District. The City does not have any cooperative agreements between these jurisdictions for stormwater systems within the corporate limits. Both school districts have contractual agreements with Macomb County and are blanketed under the County's Phase II General Permit. All student campuses have potential for contamination of storm

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<sup>9</sup> City of Sterling Heights. 2013 Annual Water Quality Report. Published June, 2014.

<sup>10</sup> <http://www.ci.sterling-heights.mi.us/1194/Sewer-Collection>

<sup>11</sup> <http://www.ci.sterling-heights.mi.us/1194/Sewer-Collection>

<sup>12</sup> City of Sterling Heights Stormwater Management Plan. prepared in compliance with Michigan Department Of Environmental Quality Phase I Storm Water Regulations NPDES Individual Permit MIS040085 Issued March 3, 2009; Revised February 2010.

water runoff from large parking lots and from maintenance operations at the facilities, grounds, and athletic fields.

The Macomb County Public Works Office has a number of storm drains within the City and the City is committed to working with this agency and the schools to coordinate and integrate efforts, where applicable. The Road Commission of Macomb County (RCMC) and MDOT have road rights-of-way within the City and both have their own permit coverage.

### **Storm Sewer System**

The City of Sterling Heights maintains storm water map which includes all municipally-owned storm water outfalls, catch basins, and tributaries. This map was submitted to MDNRE in June 2006 and is available upon request. The City currently has 250 outfalls under their jurisdiction. They discharge to various receiving sites including the Macomb County Public Works Office (MCPWO) drains, land owned by the City of Sterling Heights, the Utica Community School District, Warren Consolidated School District and other privately owned property within the City of Sterling Heights. All storm water from the City ultimately drains to the Clinton River.

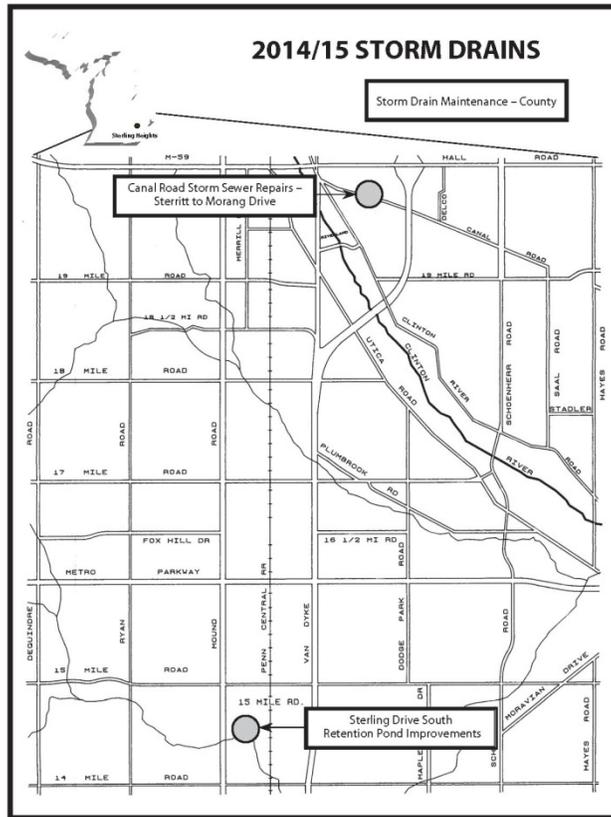
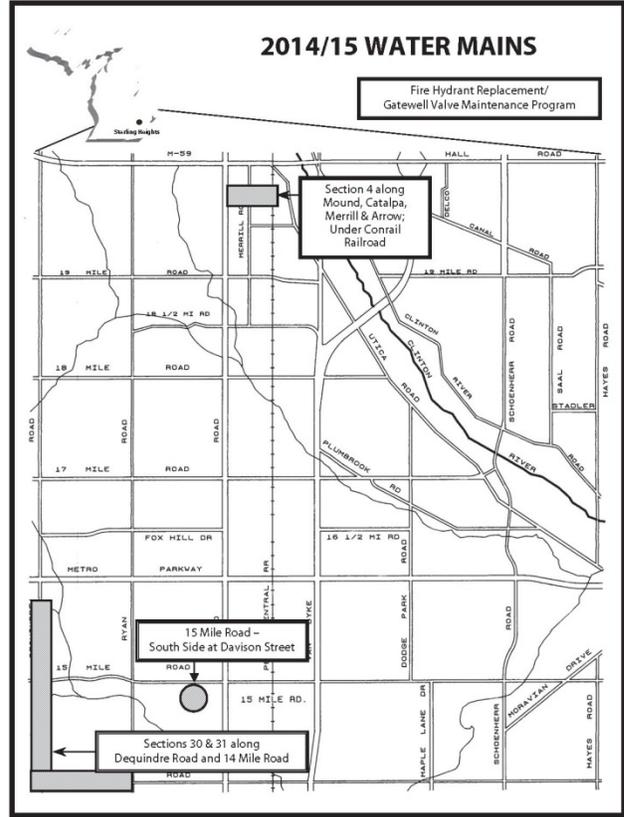
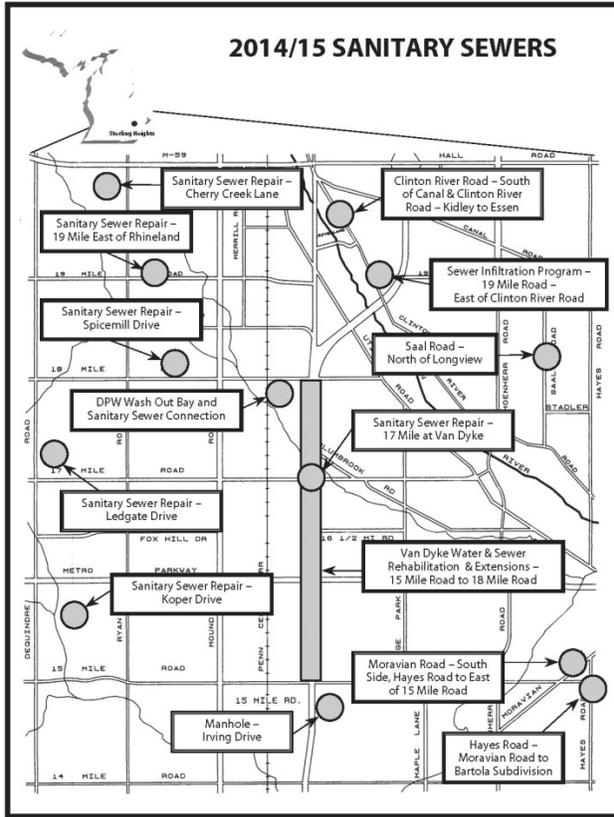
The General Drain Fund services debt that was created by the sale of bonds by Macomb County under Chapter 20. The proceeds from these bond sales are realized in the Capital Projects Fund and are used to construct drains within the City. In 2014/15, there were no new drains programmed to be constructed with bond sale proceeds.

### **Capital Improvements and Funding**

The Water & Sewer Fund equipment, vehicles, and technology improvements are budgeted within the respective Water & Sewer Divisions. The primary funding sources for Water & Sewer Fund improvements and replacement projects are fees charged for connections into the existing system and funding from special assessments. In budget year 2014, sanitary sewer projects totaling \$1,673,000 and water main expenditures of \$3,344,500 were programmed and another \$10,000 was budgeted for the Fire Hydrant Replacement Program. Provided on the next page are maps showing the locations of capital improvements related to sanitary sewers, water mains, and storm drains for program year 2014/15.

### **Energy - Gas and Electricity**

DTE Energy provides gas and electricity services to both businesses and residences in the City of Sterling Heights.



Source: Sterling Heights Capital Improvement Projects 2011-2015

# Socioeconomic Trends and Projections

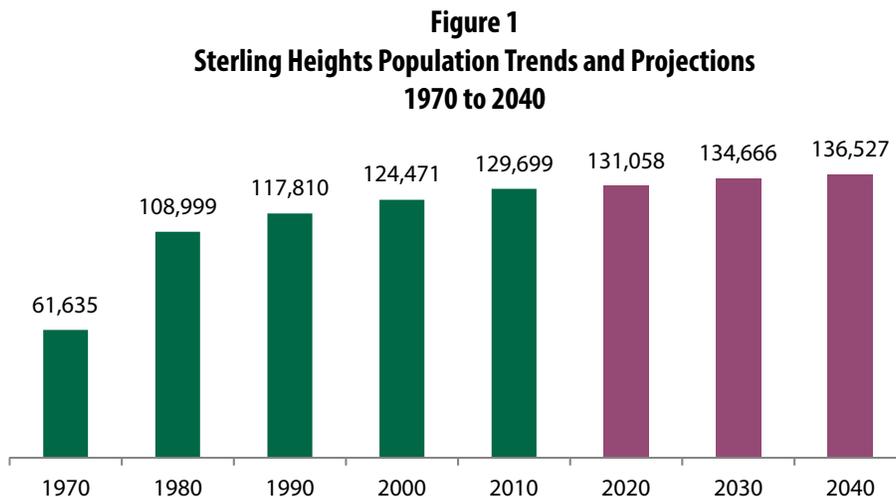
## Introduction

This analysis will describe the socioeconomic characteristics of Sterling Heights, Michigan. These characteristics include information on population, age, race, gender, households, income, education and employment. In many cases, the figures for Sterling Heights are compared to the adjacent City of Warren and Charter Township of Clinton for comparison purposes. These two communities have been selected to provide a relevant comparison given that they are similarly sized (in terms of both population and land area) and situated (within urban Macomb County). Additionally, the City's figures may also be compared to Macomb County as a whole to gauge its characteristics with the immediate region. An examination of these statistics will help determine future land use and programmatic needs. A variety of data sources have been utilized for this analysis, including the decennial reports from the U.S. Census Bureau, American Community Survey (ACS) estimates from the U.S. Census Bureau, and the Southeast Michigan Council of Governments (SEMCOG).

## Population Characteristics

### Population Trends and Projections

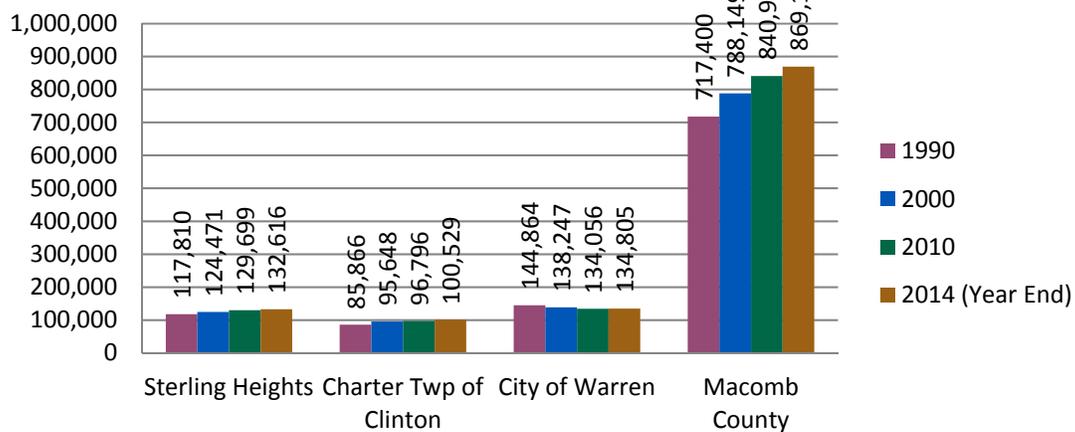
As shown in **Figure 1**, the population of Sterling Heights steadily grew from 1970 to 2010. A total of 68,064 residents have been added to the population between 1970 and 2010, representing a growth of 110.4%. However, the bulk of this increase occurred in the 1970's, as the population grew by 47,364 residents during the decade. Since 1980, the City has seen a slow, steady population growth. According to SEMCOG forecasts, the City's population is projected to continue to grow at a slow, steady pace and is expected to reach 136,527 residents by the year 2040 (5.3% increase from 2010).



Source: 1970, 1980, 1990, 2000 and 2010 US Census;  
SEMCOG 2020, 2030 and 2040 forecasts

Population trends from comparable municipalities and Macomb County as a whole provide a frame of reference for the trends for Sterling Heights. **Figure 2**, below, shows population trends for these entities from 1990 to 2014. Similar to Sterling Heights, Clinton Township and Macomb County have witnessed increasing populations during the time period. However, Macomb County's rate of population growth (10.3% between 1990 and 2014) was higher than both Sterling Heights (6.5%) and Clinton Township (5.1%). The trend for the City of Warren shows a slow population decline between 1990 and 2010 followed by a modest growth between 2010 and 2014.

**Figure 2**  
**Population Trends Comparison**  
**Sterling Heights, Comparable Municipalities and Macomb County**  
**1990 to 2014**



Source: 1990, 2000 and 2010 US Census;  
SEMCOG Dec. 2014 Population and Households

### Age Trends and Projections

Information on age distribution within a population can assist a community in matching public services to community characteristics and in determining special needs of certain age groups. For example, the younger population tends to require more rental housing units and smaller homes, while the elderly population may have a need for assisted living facilities. Analysis of age distribution may also be used by policy makers to identify current gaps in services and to project future service needs for housing, education, recreation and medical care. It is of equal importance in planning to anticipate which age groups are likely to increase during the planning period. Examples of this are the aging “baby boomers” and their children; both forming waves of population rise and fall as they move through their lifecycles.

**Table 4** shows a gradually aging population within the City of Sterling Heights. According to the 2013 American Community Survey, the largest age group in Sterling Heights is the Young Adult & Family Formation age group (20-34 years). The population of this group increased greatly from 2000 to 2013, rising from 25,381 to 37,163 (46.4% increase). Contributing to this trend is the aging of the Primary School Years population group, as those aged 5-19 decreased by 5.9% during the same time period. The population of the Mature Families age group (35-54 years) decreased by 35.8%, and correspondingly, the population of the Empty Nesters age group (55-64 years) increased by 33.5%.

The Retirement Age population group (65 years and older) also increased substantially between 2000 and 2013, growing by 40.7% over the time span.

Further evidence of a gradually aging population is the City’s overall median age figure, which has increased from 37.0 years in 2000 to 40.8 years in 2013.

**Table 4**  
**Age Group Trends**  
**City of Sterling Heights, 2000 to 2013**

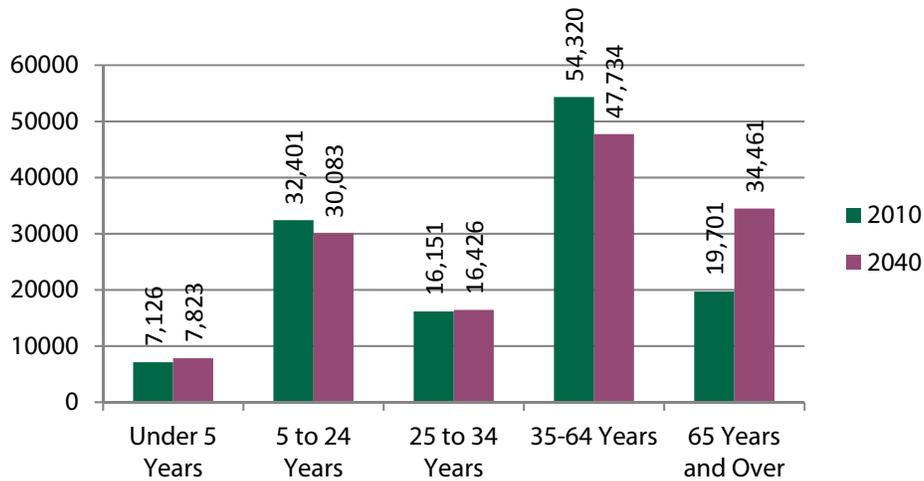
Age Groups	2000	2010	2013	% Change 2000-2013
Young Children (Under 5 Years)	7,729	7,126	6,792	-12.1%
Primary School Years (5-19 Years)	25,237	24,269	23,754	-5.9%
Young Adult & Family Formation ( 20-34 Years)	25,381	24,283	37,163	46.4%
Mature Families (35-54 Years)	38,708	37,181	24,837	-35.8%
Empty Nesters (55-64 Years)	12,778	17,139	17,063	33.5%
Retirement (64 Years and Older)	14,638	19,701	20,600	40.7%
<b>Totals</b>	<b>124,471</b>	<b>129,699</b>	<b>130,209</b>	<b>4.6%</b>

Source: 2000 and 2010 U.S. Census; 2013 ACS 5-Year Estimates

**Figure 3** shows the population projections by selected age groups for the City of Sterling Heights through 2040, based on data from SEMCOG’s 2040 Forecast. The figure clearly shows a shifting population within the City in terms of age. The City’s younger age groups (Under 5 Years, 5 to 24 Years, and 25 to 34 Years) are projected to remain relatively steady through 2040. The population of the City within the 35 to 64 year age group is projected to decline significantly, from 54,320 citizens in 2010 to 47,734 citizens in 2040 (-12.1% change). Conversely, the population of the City within the 65 years and over age group is projected to increase dramatically, from 19,701 in 2010 to 34,461 in 2040 (74.9% change).

Similar age group projections are expected within comparable municipalities (Warren and Clinton Township) and Macomb County, based on SEMCOG’s 2040 Forecast. For all units of government, the 65 years and over age group is projected to increase significantly. Macomb County, as a whole, is expected to nearly double its 65 years and over population, growing from 120,180 in 2010 to 228,895 in 2040 (90.5% change). Similar to Sterling Heights, the 35 to 64 years age group is projected to decline for all three units of government. Notably, Sterling Heights is the only unit of government where the under 5 year age group is projected to increase between 2010 and 2040.

**Figure 3  
Age Group Projections  
City of Sterling Heights, 2010 to 2040**



Source: 2010 U.S. Census; SEMCOG 2040 Forecast, 2012

### Race Trends

One important social characteristic of a community is its racial make-up. Understanding the racial composition of a community helps to identify the diverse needs of its population. According to the U.S. Census Bureau, Sterling Heights is primarily composed of those who identify as White. The amount of people who identify as White has only slightly declined from 2000 to 2013, at rate of -1.3%. While the number of people who identify as Black or African American is a relatively low percentage of the City as a whole (6,697 residents or 5.1% of the City), it is the fastest growing racial group in the City, more than tripling in population between 2000 and 2013. Other growing racial groups in the City between 2000 and 2013 included Native Hawaiian and other Pacific Islander (86.7%) and Asian (44.8%) (see **Table 5**).

**Table 5  
Racial Trends  
City of Sterling Heights, 2000-2013**

Race	2000	2013	% Change, 2000-2013
<i>One race</i>	121,359	127,378	5.0%
White	112,899	111,449	-1.3%
Black or African American	1,614	6,697	314.9%
American Indian and Alaska Native	260	72	-72.3%
Asian	6,123	8,868	44.8%
Native Hawaiian and Other Pacific Islander	45	84	86.7%
Some other race	418	208	-50.2%
<i>Two or more races</i>	3,112	2,831	-9.0%

Source: 2000 U.S. Census; 2013 ACS 5-Year Estimates

## Gender

As of 2013, females accounted for 50.8% of City population while males accounted for 49.2% of the population. Generally, the gender distribution within the City has stayed steady in comparison to 2000.

## Household Characteristics

This section examines households in terms of the relationships among the persons who share a household. Some households are families, consisting of two or more persons related by blood, marriage, or adoption, while others are non-family households composed of persons living alone or with unrelated persons. **Table 6** highlights the household characteristics of the City of Sterling Heights and trends between 2000 and 2013.

According to the Census Bureau’s American Community Survey estimates for 2013, 49,551 households are found within the City. Of these, 34,736 or 70.1% are comprised of family households, while 14,815 or 29.9% are non-family households. Of the 34,736 family households, 26,965 or 77.6% are husband-wife families, while the remainder is single-parent families (either male or female headed family households). Of the 14,815 non-family households, 13,348 or 90.1% are householders living alone.

The City’s household characteristics are slowly changing, as evidenced by the comparison of statistics from 2000 and 2013. Generally, the distribution of family households versus non-family households is steady; however, the trend shows slight increases in non-family households versus family households. Within the family household group, the percentage of husband-wife families is declining (from 83.7% of all families in 2000 to 77.6% of all families in 2013), while the percentage of single-parent families is increasing.

**Table 6**  
**Household Characteristics**  
**City of Sterling Heights, 2000-2013**

Household Characteristics	2000	% of Total	2013	% of Total
<b>Total Households</b>	<b>46,319</b>	<b>100.0%</b>	<b>49,551</b>	<b>100.0%</b>
<b>Family Households</b>	<b>33,392</b>	<b>72.1%</b>	<b>34,736</b>	<b>70.1%</b>
Husband-Wife Family	27,959	60.4%	26,965	54.4%
Male Householder, No Wife present	1,478	3.2%	2,732	5.5%
Female Householder, No Husband present	3,955	8.5%	5,039	10.2%
<b>Non-Family Households</b>	<b>12,927</b>	<b>27.9%</b>	<b>14,815</b>	<b>29.9%</b>
Householder Living Alone	11,160	24.1%	13,348	26.9%
Average Household Size	2.66		2.61	
Average Family Size	3.21		3.19	

Source: 2000 U.S. Census; 2013 ACS 5-Year Estimates

## Household Size and Projections

Since the 1970's, the nationwide trend has been a decline in household size. This trend has occurred because of a number of reasons which include: declining number of children per family, higher divorce rates, and a growing number of elderly living alone. Declining numbers of persons per household often is accompanied by an increase in the total number of households and demand for new housing units. This is often true even in circumstances of negative population growth. Following the national trend, and as shown in **Table 6**, the City of Sterling Heights average household size has declined slightly between 2000 and 2013, from 2.66 to 2.61. According to the SEMCOG 2040 Forecast, the City is projected to increase in total households from 49,451 in 2010 to 54,116 in 2040 (9.4% change). During this time, the average household size within the City is projected to continue to decline, reaching 2.50 by 2040 (-6.0% change from 2000). Similar to Sterling Heights, the comparable communities of Warren and Clinton Township, as well as Macomb County as a whole, are projected to witness declining household sizes between 2010 and 2040.

## Economic Characteristics

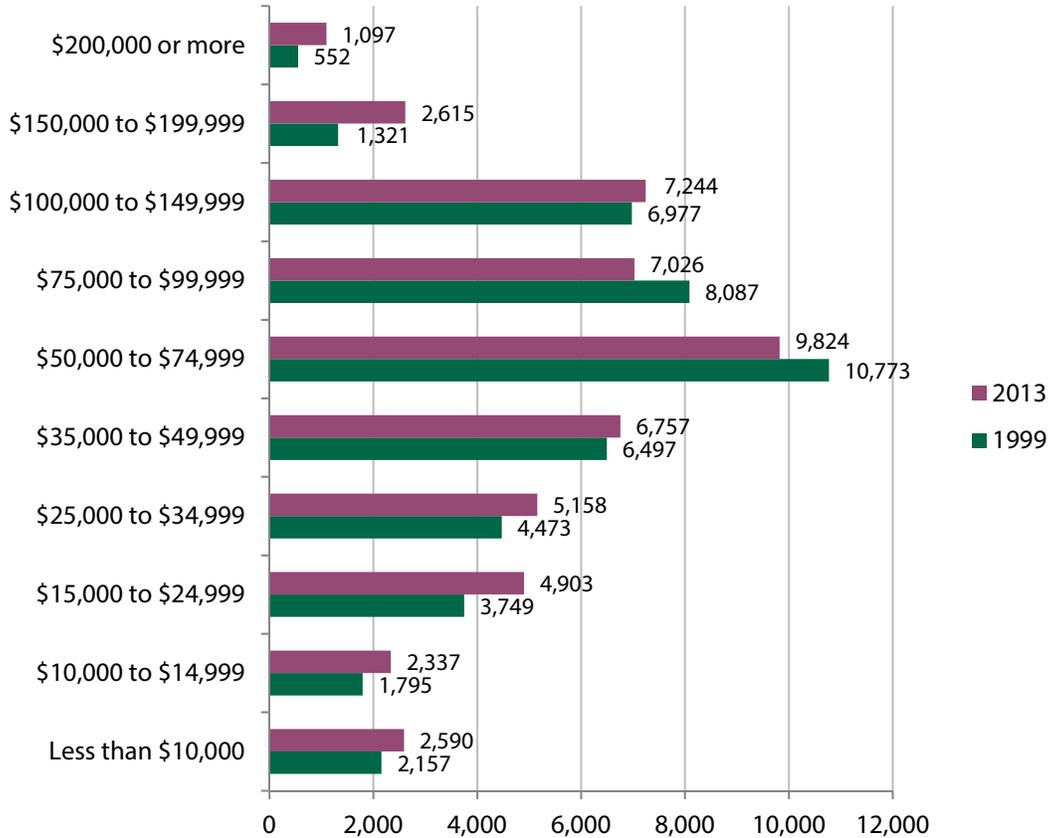
### Household Income Levels

The overall distribution of households by income levels within Sterling Heights has changed between 1999 (income levels from the 2000 U.S. Census were recorded in 1999) and 2013. In 1999, Sterling Heights had a total of 46,381 households; this figure increased to 49,551 by 2013 (6.8% change). Generally, increases in the number of households within the various income brackets between 1999 and 2013 were most pronounced in the lowest and highest income brackets, while the middle income brackets saw modest increases or declines (see **Figure 4**). During this period, the number of households within the two highest income brackets (\$150,000 to \$199,999; \$200,000 or more) nearly doubled (by 98.0% and 98.7%, respectively). At the same time, the number of households within the three lowest income brackets (Less than \$10,000; \$10,000 to \$14,999; \$15,000 to \$24,999) all increased by more than 20% (20.1%, 30.2% and 30.8%, respectively). Of the middle five income brackets, no bracket saw the total number of households increase by 20%. In fact, the number of households within the \$50,000 to \$74,999 bracket declined by 8.8% and the number of households within the \$75,000 to \$99,999 income bracket declined by 13.1%.

Generally similar household income trends between 1999 and 2013 were witnessed in Macomb County as a whole. In terms of the number of households, the top two income brackets grew most significantly within the County between 1999 and 2013. Like Sterling Heights, the number of households within the lowest three income brackets also increased significantly in the County. However, unlike Sterling Heights, the number of households in the \$100,000 to \$149,999 income bracket increased significantly within the County, by 25.7% between 1999 and 2013, while the same income bracket in the City increased by only 3.8%.

Largely as a result of a nation-wide economic downturn in the late 2000's, median household income levels throughout the nation have declined. The same is true in Sterling Heights, as the median household income in 1999 was \$60,494 but declined to \$57,075 by 2013. When adjusted for inflation (\$1 in 1999 equaled \$1.40 in 2013, according to the Bureau of Labor Statistics CPI inflation calculator), the median household income level declined from \$84,692 in 1999 to \$57,075 in 2013, representing a decline of 32.6%. A comparable median household income level decline occurred within Macomb County as a whole (26.7% decline).

**Figure 4**  
**Total Households by Income Bracket**  
**City of Sterling Heights, 1999 to 2013**



Source: 2000 U.S. Census; 2013 ACS, 5-Year Estimates

### **Educational Attainment**

Education levels of the population over 25 years old in Sterling Heights have increased slightly between 2000 to 2013. In 2000, according to the U.S. Census, 84.0% of the population 25 years and over had obtained at least a high school diploma, GED or alternative credential. By 2013, according to the ACS 5-Year Estimates, this same group had increased slightly to 85.8% of the population 25 years and over. In 2000, 23.0% of the City population 25 years and over had obtained a bachelor’s degree or higher educational credential (master’s degree, doctorate degree, etc.). By 2013, this percentage had increased to 25.8% of the population 25 years and over. Similar trends in educational attainment levels were witnessed within Macomb County as a whole between 2000 and 2013.

### **Employment**

Data provided by SEMCOG shows the projected job growth and industry groups for the City of Sterling Heights between 2010 and 2040. In 2010, a total of 58,338 jobs were available within the City. By 2040, the total number of jobs is projected to increase by 12.9% to 65,872. Similarly, the

comparable communities of Warren and Clinton Township, as well as Macomb County as a whole, are all projected to increase in total jobs between 2010 and 2040. However, the total projected job growth for Sterling Heights, at 12.9%, is slightly lower than the three other units of government (Warren – 14.4%; Clinton Township – 14.2%; Macomb County – 13.1%).

**Table 7** shows the forecasted jobs by industry for the City of Sterling Heights between 2010 and 2040, based on the SEMCOG 2040 Forecast. As of 2010, the largest number of jobs (12,997) were held in the Knowledge-based Services industry, followed by the Manufacturing industry (11,686). In combination, these two industries represented 42.3% of all jobs within the City. Between 2010 and 2040, the industries that are expected to grow at the highest rates include Private Education & Healthcare (59.4% increase), Natural Resources, Mining & Construction (30.7%) and Services to Households & Firms (20.8%). Of the nine industries, only Manufacturing (-7.1% change) and Retail Trade (-5.0%) are projected to decline in the total number of jobs.

**Table 7**  
**Forecasted Jobs by Industry**  
**City of Sterling Heights, 2010-2040**

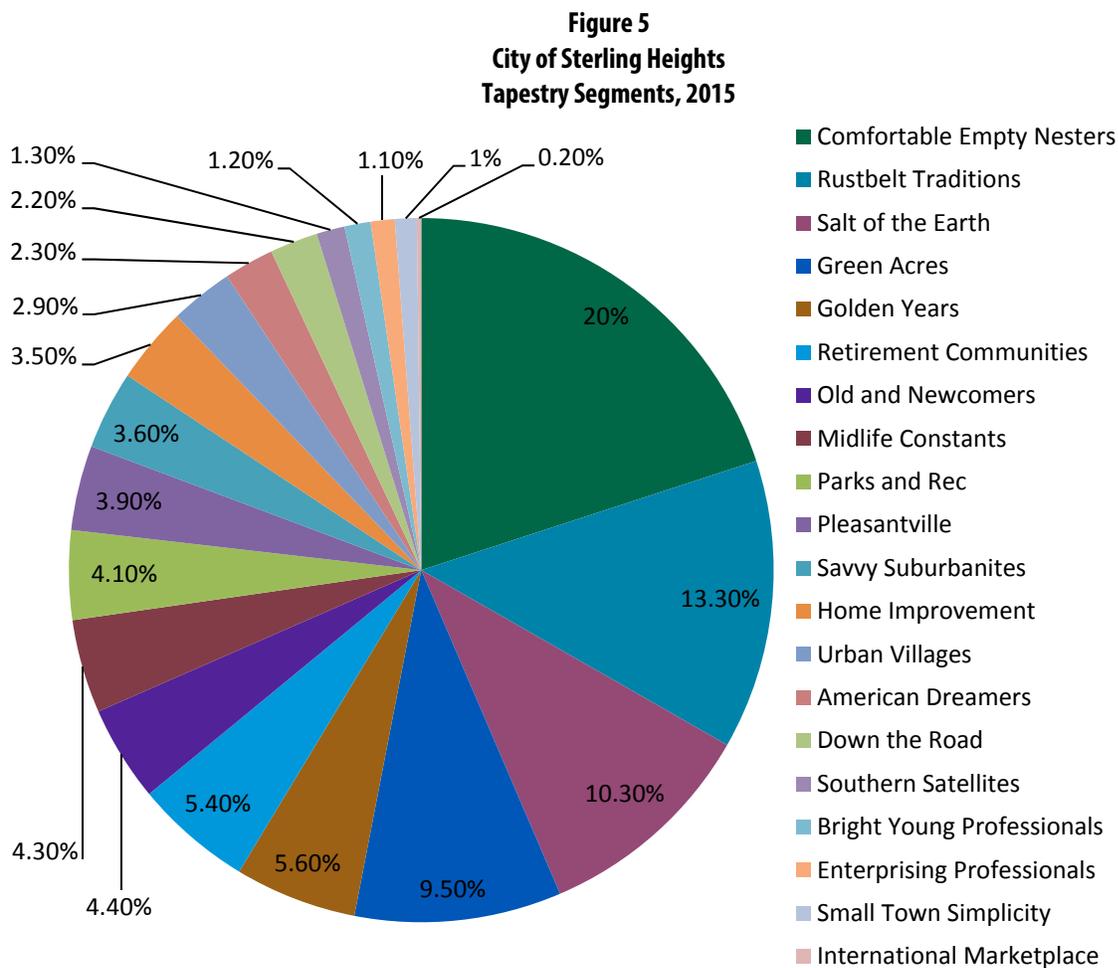
Industry	2010	2015	2020	2025	2030	2035	2040	Percent Change 2010 to 2014
Natural Resources, Mining, & Construction	3,423	3,905	4,091	4,319	4,438	4,522	4,473	30.7%
Manufacturing	11,686	12,652	11,831	11,470	11,335	11,128	10,857	-7.1%
Wholesale Trade, Transportation, Warehousing, & Utilities	3,095	3,168	3,139	3,294	3,461	3,514	3,420	10.5%
Retail Trade	6,927	6,809	6,544	6,570	6,644	6,727	6,581	-5.0%
Knowledge-based Services	12,997	13,633	13,947	14,067	14,287	14,665	14,830	14.1%
Services to Households & Firms	4,710	4,984	5,032	5,214	5,390	5,607	5,688	20.8%
Private Education & Healthcare	5,307	6,056	6,719	7,053	7,542	7,945	8,457	59.4%
Leisure & Hospitality	5,982	6,206	6,042	6,276	6,432	6,634	6,871	14.9%
Government	4,211	4,133	4,290	4,399	4,516	4,622	4,695	11.5%
<b>Total</b>	<b>58,338</b>	<b>61,546</b>	<b>61,635</b>	<b>62,662</b>	<b>64,045</b>	<b>65,364</b>	<b>65,872</b>	<b>12.9%</b>

Source: SEMCOG 2040 Forecast

## Tapestry Segmentation Profile

Various commercial data services including Esri provide demographic analyses which identify certain lifestyle characteristics from traditional demographic data. These analyses go beyond income, age and employment and assess the lifestyle characteristics of populations and address subjects like housing type preferences, spending habits, leisure preferences and family associations.

Esri's Tapestry Segmentation is a geodemographic system that identifies 68 distinctive markets in the U.S. based on socioeconomic and demographic characteristics to provide an accurate, comprehensive profile of U.S. consumers. Of the 68 tapestry segments within the United States, 20 are found in Sterling Heights. These 20 tapestry segments, ranked by percentage of the City population, are graphically displayed in **Figure 5**.



Source: Esri Tapestry Segmentation Area Profile, 2015.

Provided below is a narrative summary of the characteristics (i.e., “lifestyle preferences”) of the top 10 tapestry segments found within the City of Sterling Heights. To the right of each summary is a quick profile, which highlights each tapestry segment’s average household size, median age, diversity index (0 = no diversity, 100 = complete diversity), median household income, median net worth, and average household budget index in 9 retail categories (housing, food, apparel & services, transportation, health care, entertainment & recreation, education, pensions & social security, and other).

For more information on Esri Community Tapestry, including detailed information on data methodology and descriptions of all 68 tapestry segments within the United States, visit [Esri.com](http://Esri.com).

### **Comfortable Empty Nesters**

(20.0% of City Households / 2.5% of U.S. Households)

Comfortable Empty Nesters are older, with more than half of all householders aged 55 or older and live in the suburbs, often the same suburbs in which they grew up. They earn a comfortable living and most are professionals working in government, health care, or manufacturing. In the nation, 34% are college graduates and nearly 66% have some college education. They have low unemployment at 7% and most of their incomes are from wages or salaries, but a third of this group also draws their income from investments and retirement. Comfortable Empty Nesters value their health and are physically active, as well as financially active, and home maintenance is a priority among these homeowners.

#### **Comfortable Empty Nesters Quick Profile**

Average Household Size: 2.50  
Median Age: 46.8  
Diversity Index: 30.6  
Median Household Income: \$68,000  
Median Net Worth: \$258,000  
Average Household Budget Index: Above US average in all but 1 category

### **Rustbelt Traditions**

(13.3% of City Households / 2.2% of U.S. Households)

The Rustbelt Traditions group is comprised of married-couples and singles who live in older developments of single-family homes. The work force primarily holds white-collar jobs, with jobs in manufacturing, retail trade, and health care. Most have graduated from high school or have spent some time at a college or university, and the unemployment rate is below that of the U.S. at 8%. They are hard-working consumers with modest incomes but above-average net worth. Most of their income is derived from wages and salaries, but nearly 30% of households collect Social Security and nearly 20% draw income from retirement accounts. They are located in the dense urban fringe of metropolitan areas throughout the Midwest and South.

#### **Rustbelt Traditions Quick Profile**

Average Household Size: 2.46  
Median Age: 38.4  
Diversity Index: 44.2  
Median Household Income: \$49,000  
Median Net Worth: \$79,000  
Average Household Budget Index: Below US average in all 9 categories

## Salt of the Earth

(10.3% of City Households / 2.9% of U.S. Households)

Salt of the Earth residents are generally traditional and live rural lifestyles. They are older and many have grown children who have moved away. They spend much of their free time outdoors and are the last to buy the latest products. The majority of these residents have a high school diploma or some college education, and many were employed in manufacturing or related industries. The group's household income is just over the national median, while net worth is double the national median. This population is concentrated in the Midwest, particularly in Ohio, Pennsylvania, and Indiana. Because of this, single-family homes are affordable and home ownership rates are high.

## Green Acres

(9.5% of City Households / 3.2% of U.S. Households)

Those who fall under Green Acres live in rural enclaves of metropolitan areas, primarily in older homes with acreage. They are an older group made up primarily of married couples, and most have no children. About 60% of the group's population is college educated, they maintain a low (6%) unemployment rate and derive their income from wages and salaries, self-employment, investments, and increasingly, from retirement. They are self-described conservatives and value outdoor activities such as gardening, hunting and fishing, camping, and golfing. They are cautious consumers and are comfortable with technology, but see it more as a convenience than a trend.

## Golden Years

(5.6% of City Households / 1.3% of U.S. Households)

Those in the Golden Years segment are active seniors who are either nearing the end of their careers or are in retirement. They are primarily singles or empty nesters who are focused on leisure interests such as travel, sports, museums, and physical fitness. They are financially secure and well-educated with 20% holding graduate or professional degrees, 26% with bachelor's degrees, and 26% with some college credit. Unemployment is low (7%) but so is the labor force population (55%) as residents reach retirement age. Median household income is high (\$61,000) and income comes from wages, investments, Social Security

### Salt of the Earth Quick Profile

Average Household Size: 2.58  
Median Age: 43.1  
Diversity Index: 18.3  
Median Household Income: \$53,000  
Median Net Worth: \$134,000  
Average Household Budget Index: Below US average in all but 1 category

### Green Acres Quick Profile

Average Household Size: 2.69  
Median Age: 43.0  
Diversity Index: 24.0  
Median Household Income: \$72,000  
Median Net Worth: \$226,000  
Average Household Budget Index: Above US average in all but 1 category

### Golden Years Quick Profile

Average Household Size: 2.05  
Median Age: 51.0  
Diversity Index: 40.6  
Median Household Income: \$61,000  
Median Net Worth: \$140,000  
Average Household Budget Index: Above US average in all but 1 category

benefits, and retirement income. They are well-connected in terms of internet access, and are generous supporters of the arts and charitable organizations.

### Retirement Communities

(5.4% of City Households / 1.2% of U.S. Households)

Most households in this segment are single seniors who live alone, and a fourth of the population is comprised of married couples with no children living at home. They are highly educated, as 14% of residents aged 25 years and older hold graduate degrees, 35% have a bachelor's degree, and more than 60% have attended college. A high amount (57%) of households live in multi-unit buildings, but 34% of the housing stock is single-family structures, and 8% is townhouses. These neighborhoods consist of single-family homes and independent living apartments, assisted living, and continuous care nursing facilities. The homeownership rate is 54%, and the median home value is \$183,328. This group has more time to spend on leisure activities, spend time with family, and join civic clubs and charitable organizations.

#### Retirement Communities Quick Profile

Average Household Size: 1.86  
Median Age: 52.0  
Diversity Index: 46.4  
Median Household Income: \$35,000  
Median Net Worth: \$36,000  
Average Household Budget Index: Below US average in all 9 categories

### Old and Newcomers

(4.4% of City Households / 2.3% of U.S. Households)

These residents are either beginning their careers or retiring. They range in age from their 20's to 75 and older. There are more singles and shared households than families in these neighborhoods, and they are in a state of transition as more than half the population aged five years and older has moved in the past five years. About 54% of the housing stock is renter occupied and 44% of the housing units are multi-unit buildings. The unemployment rate is 7.8% and 62.6% of the population is in the labor force. About 28% of the population has a college degree, 33% have some college education, and 10% are still enrolled in college. Their purchases reflect the lifestyles of singles and renters, and they spend less on groceries and do not own larger vehicles. Leisure activities and spending activities are varied by age but the residents' age is not always obvious from their choices.

#### Old and Newcomers Quick Profile

Average Household Size: 2.11  
Median Age: 38.5  
Diversity Index: 50.1  
Median Household Income: \$39,000  
Median Net Worth: \$23,000  
Average Household Budget Index: Below US average in all 9 categories

## Midlife Constants

(4.3% of City Households / 2.5% of U.S. Households)

Midlife Constants are seniors who are at or approaching retirement and are located in metropolitan areas outside of the central cities in smaller communities. About 64% of Midlife Constants have a high school degree or some college, they have below average labor force participation due to age, and almost 42% of households receive Social Security and 28% also receive retirement income. They primarily live in single-family homes with a median value of \$141,000, and less than half are still mortgaged. This population is generally traditional and opts for convenience and comfort over cutting-edge technology, and they are attentive to prices, but not at the expense of quality.

## Parks and Rec

(4.1% of City Households / 2.0% of U.S. Households)

This segment is characterized by suburban homeowners, many of whom are two-income married couples approaching retirement age but do not plan on retiring in the near future. The amenities of the neighborhood are now attracting a new generation of young couples. Town homes and duplexes are scattered throughout the neighborhoods and single-family residences are built prior to 1970. More than half of the population is college educated, and the work force is diverse with residents who are professionals in health care, retail trade, and education, or are skilled workers in manufacturing and construction. The residents are generally practical in terms of their finances and carefully research their options before making large purchases.

## Pleasantville

(3.9% of City Households / 2.2% of U.S. Households)

Members of this group are primarily slightly older couples, and they move less than any other market. This group has incomes (\$85,000), home values (\$312,000), and net worths (\$285,000) that are higher than the national medians. Most homes are owned and the housing stock is older. The residents are located in suburban areas primarily in the Northeast and the West. Members of this group are highly educated, with 64% college educated and 34% with a bachelor's degree or

### Midlife Constants Quick Profile

Average Household Size: 2.30  
Median Age: 45.9  
Diversity Index: 34.0  
Median Household Income: \$48,000  
Median Net Worth: \$104,000  
Average Household Budget Index: Below US average in all 9 categories

### Parks and Rec Quick Profile

Average Household Size: 2.49  
Median Age: 40.3  
Diversity Index: 47.5  
Median Household Income: \$55,000  
Median Net Worth: \$98,000  
Average Household Budget Index: Below US average in all but 1 category

### Pleasantville Quick Profile

Average Household Size: 2.86  
Median Age: 41.9  
Diversity Index: 58.1  
Median Household Income: \$85,000  
Median Net Worth: \$285,000  
Average Household Budget Index: Above US average in all but 1 category

higher. They have a low unemployment rate (7.8%) and high labor force participation (67%) and a higher proportion of households with two or more workers. They are primarily professionals in finance, information/technology, or management. They are generally not cost-conscious, and are willing to spend more for quality and timeless products.

## Housing Profile

Housing is a vital characteristic of any community. Houses are highly visible, relatively permanent, and immobile, and for these reasons serve as great indicators of the well-being of a community. This housing profile will present a variety of housing data including type, age, value and ownership. This analysis will assist the City in determining its future housing needs.

### Housing Stock

The housing stock of a community provides indicators of the preferences and lifestyles of the population, as well as the density of development. Consistent with the results of the existing land use analysis, the housing stock within Sterling Heights is primarily composed of single-family detached housing (34,386 units or 66.6% of the 51,626 total housing units in the City) as of 2010 (see **Table 8**). Multi-unit apartments comprise 10,210 units or 19.8% of the City's housing stock, while townhouse/attached condos comprise 5,283 units or 10.2% of the City. Duplexes, mobile home/manufactured housing, and "other" types comprise only a small percentage of the City's housing stock.

Between 2000 and 2010, the total number of housing units increased by 8.6%, from 47,547 to 51,626. During this time, townhouse/attached condo units increased most significantly (2,261 new units representing a change of 74.8%), followed by duplex units (increase of 93 units representing a change of 69.4%). Single-family detached housing units showed a large increase in total units between 2000 and 2010 (1,784), but had a modest rate of change of 5.5%. Multi-unit apartment units increased at a rate of only 1.4%, while mobile home/manufactured housing units decreased by 194 units (-11.3% change) between 2000 and 2010.

**Table 8** also shows new housing units permitted within the City between 2010 and 2014. Notably, single family detached units accounted for 426 or 80.7% of the total units permitted, while 98 or 18.6% were townhouse/attached condo units and 4 or 0.8% were duplex units. No permits were issued for other housing types between 2010 and 2014.

**Table 8**  
**Housing Stock Trends**  
**City of Sterling Heights, 2000-2014**

Housing Type	2000	2010	Change 2000-2010	New Units Permitted 2010-2014
Single Family Detached	32,602	34,386	1,784	426
Duplex	134	227	93	4
Townhouse / Attached Condo	3,022	5,283	2,261	98
Multi-Unit Apartment	10,070	10,210	140	0
Mobile Home / Manufactured Housing	1,714	1,520	-194	0
Other	5	0	-5	
Total	47,547	51,626	4,079	528
Units Demolished				-12
Net (Total Permitted Units - Units Demolished)				516

Source: 2000 U.S. Census; 2010 ACS 5-Year Estimates; SEMCOG Community Profile of Sterling Heights

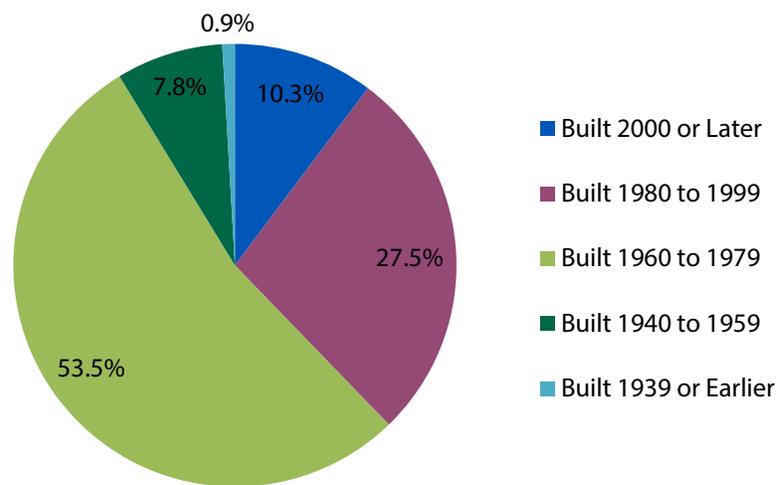
Sterling Heights' housing stock composition is relatively unique when compared to the adjacent communities of Warren and Clinton Township. As of 2010, the City of Warren's housing stock is dominated by single-family detached units, comprising 76.7% of its total housing stock (compared to 66.7% for Sterling Heights), while multi-unit apartment units comprise 14.0% of the total housing stock (compared to 19.8% for Sterling Heights). Contrary to Sterling Heights and Warren, only 49.8% of Clinton Township's total housing stock consists of single family detached units. Clinton Township has a much larger percentage of townhouse/attached condo units (16.5%), multi-unit apartment units (29.2%) and mobile home/manufactured housing units (4.0%).

## Housing Stock by Age

The age of a dwelling unit is one factor used to evaluate its structural quality. The average industry standard for the life span of a single family dwelling unit is generally 50 years. However, this typical life span often depends on the quality of the original construction and continued maintenance of the unit. Using this standard, the homes within the City constructed prior to 1959 may be approaching the end of their utility.

**Figure 6** highlights the age of housing stock within the City of Sterling Heights according to 2013 data from the American Community Survey. As is shown, more than half (53.5%) of the City's 52,094 total housing units were built between 1960 and 1979. More than one-quarter (27.5%) of the housing stock was built between 1980 and 1999, while 10.3% was built after 2000. Only a small percentage of the housing stock was built between 1940 and 1959 (7.8%) while less than 1% of housing units were built prior to 1939. Generally, the housing stock by age distribution for the City of Sterling Heights is comparable to the adjacent communities of Warren, Clinton Township and Macomb County as a whole.

**Figure 6**  
**Housing Stock by Age**  
**City of Sterling Heights, 2013**

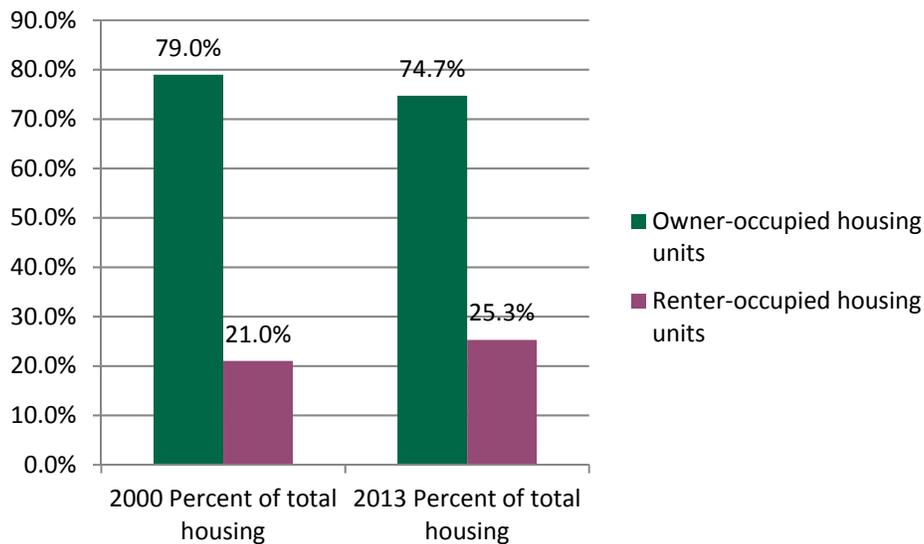


Source: 2013 ACS 5-Year Estimates

## Housing Tenure and Vacancy

In 2013, Sterling Heights contained 49,551 total occupied housing units. Of these occupied units, 74.7% were owner-occupied while 25.3% were renter occupied. As shown in **Figure 7**, trends indicate a declining percentage of owner-occupied housing units and an increasing percentage of renter-occupied housing units. Similar trends are found in Warren, Clinton Township, Macomb County and the entire region and may be reflective of numerous factors including an economic downturn, housing foreclosure crisis, and changing housing type preferences.

**Figure 7**  
**Housing Tenure Trends**  
**City of Sterling Heights, 2000 to 2013**



Source: 2000 U.S. Census; 2013 ACS 5-Year Estimates

Between 2000 and 2013, the total number of vacant housing units within the City increased from 1,228 to 2,543, representing an increase of 107.1%. While occupied housing units also increased between 2000 and 2013, from 46,319 to 49,551, the growth rate was significantly lower at 7.0%. In line with these trends, the City's overall vacancy rate increased from 2.7% in 2000 to 4.9% in 2013. Although the vacancy rate has increased in recent years, the City's rate is lower than the comparable communities of Warren, Clinton Township and Macomb County as a whole, which have vacancy rates ranging from 6.2% to 9.5%.

## Housing Value and Affordability

Analyzing housing values and rent is one method of evaluating both the quality and affordability of housing. It is of crucial importance that both quality and affordable housing is maintained to help retain current residents and attract new homeowners to a community.

## **Housing Value Trends**

Consistent with state and national trends caused by the recent economic downturn, the overall median housing value within Sterling Heights decreased from 2000 to 2013, based on data from the 2000 U.S. Census and 2013 American Community Survey. The median housing value within the City in 2000 was \$157,800, which declined to \$144,200 in 2013, representing a decrease of 8.6%. Similar median housing value declines were witnessed in the comparable communities of Warren, Clinton Township and Macomb County as a whole. Median rents within the City and region have similarly declined between 2000 and 2013. As of 2013, the City's median rent stands at \$856.

## **Housing Affordability**

According to a report from the U.S. Census Bureau, the conventional public policy indicator of housing affordability in the United States is the percent of income spent on housing. Housing expenditures that exceed 30 percent of household income have historically been viewed as an indicator of a housing affordability problem.<sup>13</sup> For housing units with a mortgage, the Census Bureau tracks the percentage of household income spent on selected monthly owner costs. For occupied units paying rent, the Census Bureau tracks the percentage of household income spent on gross rent.

Within the City of Sterling Heights, according to 2013 ACS data, a total of 8,014 or 33.4% of housing units with a mortgage spent more than 30% of household income on selected monthly owner costs. In 2013, a total of 5,729 or 49.3% of occupied units paying rent spent more than 30% of household income on gross rent. These figures are an indicator that a housing affordability issue exists within Sterling Heights' housing market for both rental units and mortgaged units. However, housing affordability is not a localized concern, as comparable affordability rates are found within the adjacent communities of Warren, Clinton Township and Macomb County as a whole.

## **Housing Quality Assessment**

In order to gauge the overall livability and quality of the City's housing stock, a housing quality assessment was conducted by the project team. This analysis consisted of a structural quality survey of all single-family residential homes, analyzed to determine the extent, character, and patterns of deterioration within City neighborhoods. The overall goal of this analysis was to ensure that the neighborhoods of Sterling Heights, a foundational component of community quality of life, are receiving consistent attention in terms of housing livability and quality.

There are many reasons for the deterioration of a home or neighborhood, such as proximity of incompatible land uses, inadequate building and housing code enforcement, and poor environmental conditions causing blight. However, the major contributor to housing deterioration is inadequate original construction and lack of building maintenance. Just as housing deterioration can be attributed by a combination of factors, so too is the myriad of reasons for lack of proper housing maintenance. Often, older areas of a community are inhabited by the elderly population and first-time homebuyers, who have limited income to make repairs. Also, there may be a lack of incentive on the homeowner's part due to concerns about neighborhood blight and the stability of property values. Finally, poor original construction may increase the cost of repairs to the homeowner.

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<sup>13</sup> *Who Can Afford to Live in a Home?: A look at data from the 2006 American Community Survey.* By Mary Schwartz and Ellen Wilson, U.S. Census Bureau.

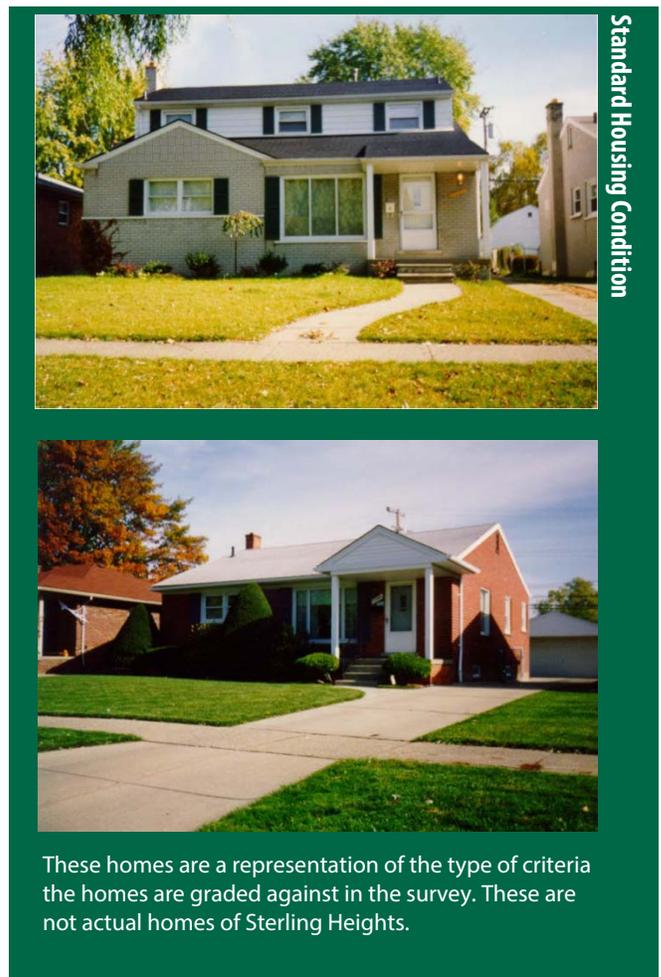
## Methodology

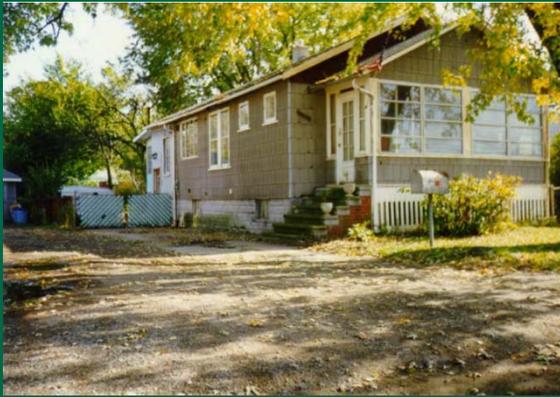
This housing quality assessment is conducted in three phases. The first phase consists of a structural quality windshield survey of all single-family detached housing units within the City's neighborhoods. The second phase is the examination of the field data collected during the survey and analysis of the extent, type, and patterns of deterioration to pinpoint problem areas or conditions negatively impacting neighborhood quality. Finally, based on the problem areas or conditions found, treatment strategies are devised.

The structural quality survey was conducted in May and June of 2015 for all single family detached homes within Sterling Heights. The survey was performed using a "windshield survey" technique, where a two-person crew drove each street in the City and recorded the condition of each home. Housing condition was visually examined based on a specific set of predetermined criteria (refer to **Figure 8**). It should be noted that the examination was based only on what could be seen from the road; structural defects hidden from view from the road were not factored into the evaluation. The application of the criteria resulted in the identification of a "score" for each unit. The score placed the structure into one of three categories:

1. **Standard** – Includes homes of all ages, including those currently under construction, which are generally in good repair but may need some minor maintenance.
2. **Deteriorating** – Includes homes that are in poor condition as evidenced by either a defect in a single major structural element (roof sags, walls out of plumb or cracked foundations) or by five or more minor structural flaws like rotted window frames, sagging porches, old or missing shingles, open cracks or holes. The nature of these deficiencies is such that although undesirable, the repair and rehabilitation of the home appears to be economically feasible.
3. **Substandard** – Includes homes that have become so dilapidated that they are unsafe for habitation. They contain at least two major structural defects combined with other minor structural flaws. Rehabilitation is often not economically feasible because of their advanced stage of deterioration.

To help illustrate the differing structural quality categories, sample photographs of each condition are provided in this section. The photographs are utilized as examples only, and do not necessarily reflect the type or actual housing stock found in Sterling Heights.





Deteriorating Housing Condition



These homes are a representation of the type of criteria the homes are graded against in the survey. These are not actual homes of Sterling Heights.



Substandard Housing Condition

These homes are a representation of the type of criteria the homes are graded against in the survey. These are not actual homes of Sterling Heights.

**Figure 8  
Housing Structural Quality Checklist  
City of Sterling Heights, 2015**

<b>Major Structural Defects</b>	<b>Minor Structural Defects</b>
<i>Roof</i>	<i>Roof</i>
Sagging/missing materials/holes over larger area (>25%) of roof _____	Less critical sagging/missing materials over small area (<25%) _____
<i>Walls</i>	<i>Walls</i>
Bowed walls/holes or missing material over large area (>25%) _____	Holes/open cracks/missing materials over small area (<25%) chipping paint _____
<i>Foundation</i>	<i>Foundation</i>
Lack of proper foundation/ foundation walls out of plumb/ holes or missing materials over large area (>25%) _____	Holes/open cracks, rotted or missing materials over small area (<25%) _____
	<i>Windows/Doors</i>
	Loose, rotted, frames and sills out of plumb/missing, broken panes. Lacking storms and screens _____
	<i>Porches/Steps/Eavestroughs and Downspouts</i>
	Rotted, worn, missing material, sagging or out of plumb, or pulling away from building _____
	<i>Chimney/Flue</i>
	Out of plumb, sagging, visible cracks, or loose missing masonry units _____
	<i>Porch Light</i>
	Missing/broken fixture _____
<b>Total Major Defects</b> _____	<b>Total Minor Defects</b> _____
<b>Assessment</b>	
____ Sound: 0 major structural defects: less than 5 minor structural defects	
____ Deteriorating: 1 major or 5 or more minor structural defects	
____ Substandard: 2 or more major or 1 major + 5 or more minor structural defects	

## Survey Results

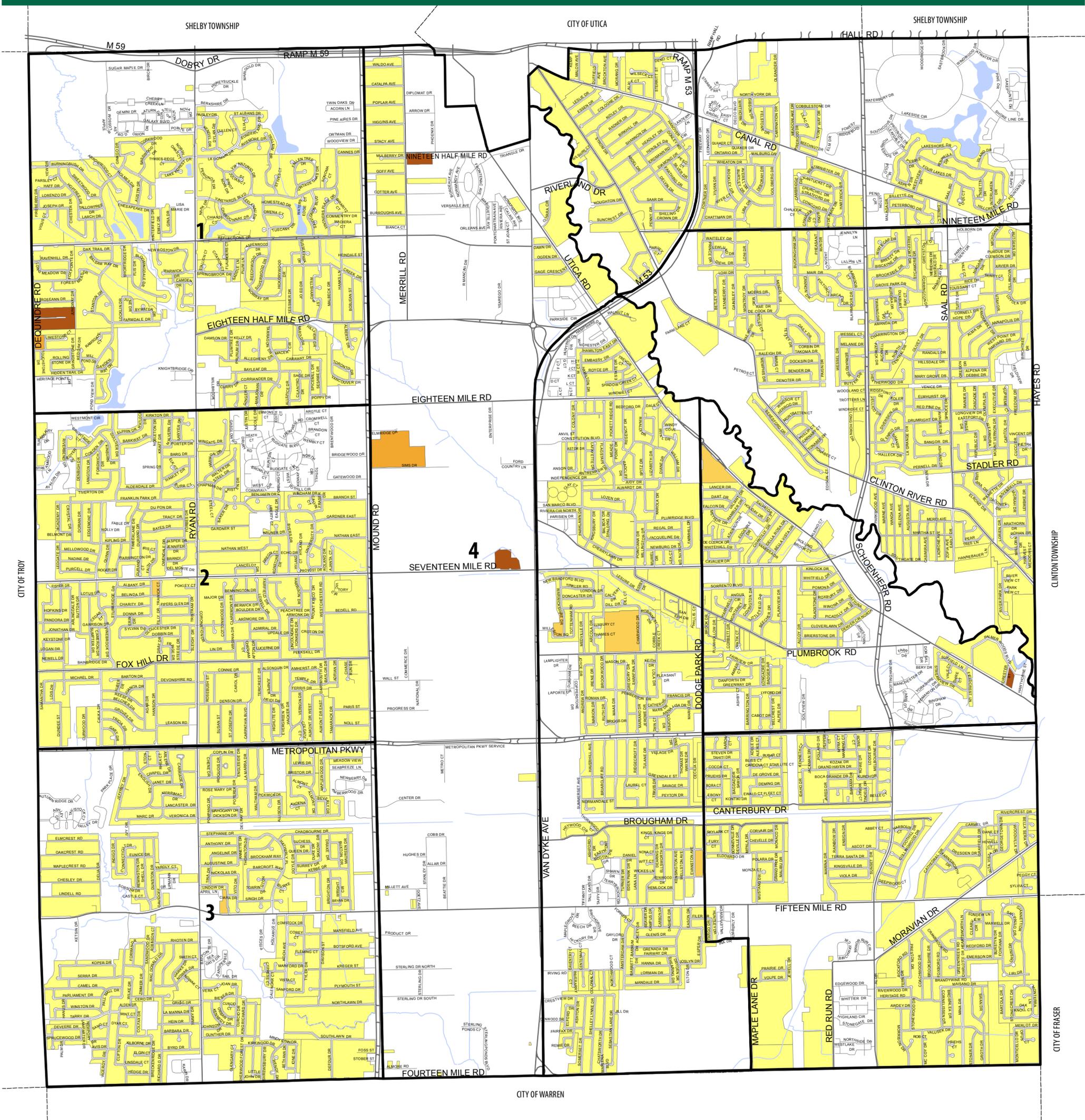
The **Housing Quality Survey Results Map** highlights the condition of each residential block within the City based on the percentage of homes within the block that were found to be in deteriorating or substandard condition. (Housing structural survey results are intentionally not shown on an individual parcel basis for the purpose of anonymity.) To provide a more geographically specific analysis of the results, the City was broken up into 10 analysis zones (shown on the **Housing Quality Survey Results Map**). Finally, the results are shown in tabular form, by analysis zone, documenting the total number and percentage of standard, deteriorating and sub-standard homes (**Table 9**).

The survey data overwhelmingly show that the City contains high-quality single-family detached housing stock with strong and stable neighborhoods from a livability and quality perspective. Of the 34,735 single family detached homes surveyed, less than 40 were found to be in deteriorating or sub-standard condition, representing less than one-quarter of one percent of all homes. This is a clear indication that the housing stock within the City is generally free of major structural defects related to roof, walls and the foundation, which may make the housing unit unsafe for habitation. It does not necessarily conclude that homes are without minor structural defects, but it does indicate that homes are well maintained and minor defects are promptly repaired before they turn into more significant structural issues. The high quality housing stock is also reflective of the variety of programs currently in place to assist homeowners in the maintenance and repair of their homes (refer to the Analysis of City Improvement Plans and Funding Programs chapter for a summary of such programs).

**Table 9**  
**Housing Structural Quality Survey Results**  
**City of Sterling Heights, 2015**

Analysis Zone	Single Family Detached Homes Surveyed	Standard		Deteriorating		Sub-Standard	
		#	%	#	%	#	%
Zone 1	3,124	3,118	99.8%	5	0.16%	1	0.03%
Zone 2	6,054	6,050	99.9%	4	0.07%	-	0.00%
Zone 3	5,201	5,192	99.8%	7	0.13%	2	0.04%
Zone 4	338	334	98.8%	4	1.18%	0	0.00%
Zone 5	5,394	5,386	99.9%	5	0.09%	3	0.06%
Zone 6	1,315	1,312	99.8%	3	0.23%	-	0.00%
Zone 7	1,789	1,786	99.8%	3	0.17%	-	0.00%
Zone 8	5,180	5,180	100.0%	-	0.00%	-	0.00%
Zone 9	2,067	2,065	99.9%	2	0.10%	-	0.00%
Zone 10	4,312	4,312	100.0%	-	0.00%	-	0.00%
<b>Totals</b>	<b>34,774</b>	<b>34,735</b>	<b>99.77%</b>	<b>33</b>	<b>0.21%</b>	<b>6</b>	<b>0.01%</b>

Source: Wade Trim survey, June 2015



## Housing Quality Survey Results Map

- 1** Housing Quality Analysis Zones
- Housing Quality By Block\*
- Block with less than 5% Deteriorating or Substandard homes
- Block with greater than or equal to 5% but less than 15% Deteriorating or Substandard homes
- Block with greater than or equal to 15% but less than 25% Deteriorating or Substandard homes
- Block with greater than or equal to 25% Deteriorating or Substandard homes

- Primary Roads
- Secondary Roads
- Municipal Limits
- Water Features
- Water Bodies

\* Note: Survey included only single-family detached homes.  
Source: Wade Trim Field Survey, June 2015

# Master Land Use Plan 2016-2036



No particular geographic area of the City contains a more significant percentage of deteriorating or sub-standard single family detached homes; rather, such instances of deterioration are generally scattered throughout the City. As shown on the **Housing Quality Survey Results Map**, most of the planned single family residential neighborhoods and subdivisions do not include deteriorated or sub-standard housing. The individual blocks in the City with higher percentages of deteriorating or sub-standard homes tend to be those which immediately front major roadways and which are somewhat isolated from adjacent residential neighborhoods.

### Types of Structural Decline

Three categories of major structural elements were evaluated: roofs, walls, and foundations. The minor elements examined included the roof, walls, and foundations, as well as windows/doors, porches/steps/eaves troughs/downspouts, chimney/flue, and porch lights. Of the homes found to be deteriorating or substandard, many were identified based on having a major structural defect. Of these defects, the most common problem found was the condition of the roofs. In order for a roof to qualify as having a major defect, it must be sagging, feature missing materials (shingles), or contain holes that encompass more than 25 percent of the entire roof area. The standard useful age of a roof is typically 30 years and, after this time, roof problems can begin to occur. The next major element examined were the walls of the single-family homes. While not as common as roof problems, several homes were identified as having a major structural defect in the walls. In order for a wall to qualify as having a major defect, it must have holes, open cracks, or missing materials over more than 25 percent of the entire wall area, or show deflection. The final major structural element problem found during the survey was with the foundation of the structure. In general, foundation problems were the least frequently identified major structural defect in Sterling Heights.

A few of the homes in the structural quality windshield survey were qualified as deteriorating because of the presence of more than five minor structural defects. The most common minor defects observed were roof problems, window and door defects, porches, eaves and downspout neglect.

### **Treatment Strategies**

The third and final phase of the housing needs assessment involves developing strategies to address housing deterioration within the City. Three strategies are generally available to municipalities to improve housing quality: a preservation strategy; a rehabilitation strategy; and a redevelopment strategy. However, given the limited amount of housing deterioration found within the City of Sterling Heights, only two strategies are recommended. Each of these housing treatment strategies is further described below.

#### Preservation Strategy

The preservation strategy is recommended for every block in the City which features less than 15% deteriorating or substandard homes. As shown on the **Housing Quality Survey Results Map**, this includes the overwhelming majority of residential blocks within the City. The preservation strategy involves the continued maintenance and protection of the existing housing stock. It is intended to be a long-term approach to combat structural decline. It involves the property owner, City resources, and private lending institutions working together to ensure the structural health of the City housing stock. Through a sensitive code enforcement program and the continuation of the housing assistance programs offered by the City, a successful preservation strategy can be implemented.

A sensitive code enforcement program in identified preservation areas is a significant support service that a local community can implement. Through sensitive code enforcement, minor structural defects can be addressed to help slow or stop the deterioration of the homes. This encourages lenders to grant loans in these neighborhoods because the fear of decline adversely affecting the marketability of the home is counteracted.

In conjunction with the sensitive code enforcement program, the City needs to continue its efforts in supporting the single-family homeowner in their maintenance efforts. Code enforcement efforts without the benefit of support services for those in need could cause housing abandonment instead of rehabilitation. Therefore, the commitment of the City in continuing their housing rehabilitation program to finance required improvements is critical to the success of the preservation strategy.

#### Rehabilitation Strategy

The rehabilitation strategy is recommended for blocks within the City with greater than 15% deteriorating or substandard homes. Based on the survey, this includes six total blocks within the City. The rehabilitation strategy will need to address the repair of existing structural defects, correcting environmental deficiencies, and upgrading public services and facilities to eliminate existing blighting conditions. This will require a more prominent presence of the City Code Enforcement Officers. Frequent field visits to determine violations coupled with close follow-up appointments to ensure compliance are important to the improvement of these declining areas.

It will also be important for Sterling Heights to work closely with the single-family homeowners in these areas to procure their cooperation. Information and counseling services that explain the methods and procedures of making home repairs will be a requirement of this treatment strategy. The City's housing rehabilitation program should be consistently marketed to the homeowners in these areas.

To a lesser extent, and where feasible based on City staff availability or specific opportunities arising, the rehabilitation strategy should be extended to blocks outside of the identified rehabilitation areas that contain higher percentages of deteriorating housing.

#### Redevelopment Strategy

The redevelopment strategy predominantly involves clearance of existing, built-up residential and/or nonresidential structures, thereby eliminating substandard and blighting influences. Consequently, the area can then be redeveloped to improve structural and environmental conditions. Based on the results of the housing quality survey, no blocks within the City are identified as being entirely in need of redevelopment. Rather, the redevelopment strategy would be better employed on a property specific case for those homes which have been classified as substandard and where rehabilitation is not economically feasible due to poor condition.

# Land Use and Facility Needs Forecast

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## Introduction

The City of Sterling Heights is nearly fully developed, with vacant land suitable for future development comprising only a small percentage of the community. New development within the City will consist largely of infill redevelopment projects, along with limited development on “greenfield” sites (sites which are currently vacant or undeveloped). A challenge facing the City is determining the right mix and distribution of future land uses, and a decision regarding how much redevelopment should occur. The following land use and facility needs forecast has been prepared to gauge possible demand for various land uses and the optimum allocation of land use types. The City can then respond accordingly in the development of its plan for future land use map.

## Residential/Housing Needs Assessment

### *Future Housing Needs*

The process of projecting future housing need is dependent on a number of factors. As a rule, future housing units can be estimated based on the projected population for the community in combination with the future anticipated household size. Within the City of Sterling Heights, according to the SEMCOG 2040 Forecast, the population of the community is projected to grow through the year 2040, while the average household size is projected to decline. These two factors will equate to a demand for additional housing units through 2040.

In 2010, the City had a total population of 129,699. Over the next 30 years, the City is projected to increase in population by 6,828 residents, reaching 136,527 residents by 2040 (SEMCOG 2040 Forecast). In 2010, of all City residents, a total of 128,927 or 99.4% were living within households, while the remainder (772 or 0.6%) were living within group quarters. Of the 136,527 residents in 2040, SEMCOG projects that 135,542 will be living within households, while 985 will be living within group quarters. This results in an expected growth of 6,615 residents who will be living within households between 2010 and 2040.

In 2010, the City had a total of 49,451 households (occupied units)<sup>14</sup>, with an average household size of 2.61. By 2040, according to SEMCOG, the average household size within the City is projected to decline to 2.50. The 135,542 residents who are projected to be living within City households in 2040 will require 54,116 total households (occupied units). This results in an expected growth of 4,665 households (occupied units) between 2010 and 2040.

In 2010, the City had a total of 52,190 housing units, of which 49,451 were occupied (94.75%) while 2,739 were vacant (5.25%). Assuming that the City has a 5% vacancy rate in 2040<sup>15</sup>, the City will have a total of 56,964 housing units, of which 54,116 will be occupied (95%) and 2,848 will be vacant (5%). Based on these figures, between 2010 and 2040, it is projected that approximately 4,774 total housing units will be added within the City of Sterling Heights.

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<sup>14</sup> The SEMCOG 2040 Forecast considers the number of households as being equivalent to the number of occupied housing units.

<sup>15</sup> A 5% vacancy rate is desirable and allows for transition within the housing market in a manner that doesn't affect the value of housing units.

Based on SEMCOG building permit data, a net total (total units constructed minus total units demolished) of 516 housing units were added within Sterling Heights between 2010 and 2015. Thus, 516 of the 4,774 net total housing units needed by 2040 have already been built. This results in the need for 4,258 additional housing units over the next 25 years between 2015 and 2040.

### ***Housing Gap Analysis***

With an understanding of the new housing units needed over the planning horizon for this Master Plan (4,258 new housing units over the next 25 years), it then becomes necessary to identify the type of housing units which will be needed during this timeframe. To accomplish this, a housing gap analysis has been prepared, based upon a comparison of the current make-up of local housing types against national preferences and emerging trends for various housing types.

#### ***Current City Housing Types***

Presently (as of 2010), the housing stock within Sterling Heights is primarily composed of single-family detached housing (66.6% of all units). Multi-unit apartments comprise 19.8% of the City's housing stock, while townhouse/attached condos comprise 10.2% of the housing stock. Duplexes, mobile home/manufactured housing, and "other" types comprise only a small percentage of the City's housing stock. However, housing unit trends (between 2000 and 2010) for Sterling Heights indicate an increasing demand for townhouse/attached condo units and duplex units, as demonstrated by high growth rates for these housing stock categories. At the same time, single-family detached units, multi-unit apartment units and mobile home/manufactured housing units showed modest or declining growth rates, demonstrating less of a demand for these housing type categories (refer to **Table 8**).

#### ***National and Emerging Housing Type Trends***

Since the middle of the twentieth century, the single-family detached home has played a dominant role in the housing market. Owning such a home was widely considered the primary element of the "American Dream." A strong economy, the development of the interstate highway system, favorable tax laws, and easy financing led to rapid development of the suburbs with predominantly low-density housing. The homeownership rate soared, reaching nearly 70% by the mid-2000s. However, the "Great Recession" that hit in late 2007 brought a housing market crash whose impacts are still felt today. Slow recovery from the recession has occurred, but the characteristics of the housing market appear to have moved in a different direction, steered by various demographic changes occurring within the United States. These changes include racial and ethnic diversification, a growing immigrant population, and an increasing percentage of non-traditional households. However, the growth and evolving preferences of the Baby Boomer and Millennial generations has also had a major impact on housing supply and demand.

Once preferring large-lot detached homes, the aging Baby Boomer Generation (born 1946 to 1964) is expanding the nation's senior population and increasing demand for "downsized" units and housing that caters to the needs of seniors. Despite a preference for many to age in place, a large number of Baby Boomers will be in search of new housing. According to housing market researcher Arthur C. Nelson, when those age 65 and older move, 80% will vacate single-family houses, but only 41% will move back into single-family units; the other 59% will located in multiple-family units.<sup>16</sup>

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<sup>16</sup> Robert Steuteville, "The Coming Housing Calamity," New Urban News, June 2011.

Now entering the housing market, the Millennial Generation (those born between the early 1980s and the early 2000s) will account for 75% to 80% of the owner-occupied housing absorbed by people under 65 before 2020.<sup>17</sup> Different from their parents living preferences, this generation prefers housing in mixed-use urban environments and increasingly views renting as an advantageous option.

The following statistics demonstrate the changing trends and emerging preferences related to housing types:

- Younger Americans are faced with weaker employment, high level of student debt and general lack of confidence in housing as an investment.<sup>18</sup>
- Since 2009, the number of owner-occupied housing units has fallen by over 300,000, while the number of renter occupied-housing units has risen by over 3 million.<sup>19</sup>
- Renting is more appealing across all age groups, all parts of the U.S., city, suburb, small town and rural.<sup>20</sup>
- The groups that are growing the fastest are people in their mid-20s and empty-nesters in their 50s. These are the groups that are most likely to seek an alternative to low-density, single-family housing.<sup>21</sup>
- More than 60% of the Millennial Generation would prefer to live in a single-family dwelling. However, while this generation prefers single-family development, they do not have the financial resources to afford this type of product. They have been hit hard by the recession as they've entered independent adulthood. This has reduced their income and limited their ability to form households and attain homeownership.<sup>22</sup>
- The projected need for new housing units between 2005 and 2030 is equally divided between attached units including apartments, townhouses and condos, and small lots (on less than 1/6 acre), with no net increase projected in the need for houses on larger lots.<sup>23</sup>
- Americans' ideal communities have a mix of houses, places to walk, and amenities within an easy walk or close drive. Only 12% say they would prefer a suburban neighborhood with houses only.<sup>24</sup>

### Housing Comparison with Selected U.S. Cities

This housing gap analysis also includes a comparison of Sterling Heights' housing stock characteristics with similar top-performing cities from around the nation. Although a combination of numerous factors, beyond housing alone, contribute to a community's quality of life, it is hoped that this

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<sup>17</sup> "Demographic Challenges and Opportunities for U.S. Housing Markets," Bipartisan Policy Center, March 2012.

<sup>18</sup> Diana Olick, "Apartments Fill as Rental Demand Keeps on Surging", CNBC.com, June 20, 2014.

<sup>19</sup> Ryan Noonan, "Understanding the Trend in Multi-Family Housing Growth During the Recovery", Economic and Statistics Administration, November 25, 2013.

<sup>20</sup> Jeffery Gundlach, Doubleline Capital CEO, as reported by ThinkAdvisor.com, May 7, 2014.

<sup>21</sup> Urban Land Institute, Higher Density Development: Myth or Fact, 2005.

<sup>22</sup> 2011 National Community Preference Survey by the National Association of Realtors; RLCO Consumer Research Data; and, Bipartisan Policy Center, "Demographic Challenges and Opportunities for U.S. Housing Markets", March 2012.

<sup>23</sup> John Pitkin and Dowell Myers, "U.S. Housing Trends: Generational Changes and the Outlook to 2050", 2008.

<sup>24</sup> National Association of Realtors, "The 2011 Community Preference Survey", March 2011.

comparison to top-performing cities may provide an indication of appropriate housing tenure levels and housing stock make-up within a community.

For the purposes of our assessment, we utilized the Top 100 Best Places to Live ranking for 2015 prepared by Livability. Livability examines what makes cities great places to live through proprietary research studies, engaging articles and original photography and video to examine topics related to community amenities, education, sustainability, transportation, housing and the economy. They then leverage the expertise to develop city rankings, including their annual Top 100 Best Places to Live.

We examined this current ranking to identify a select list of peer communities from various locations throughout the nation. They are suburban communities with a population similar to the City of Sterling Heights. The communities that were selected (by region and population) were: Overland Park, Kansas (Midwest Region, population of 175,000); Tempe, Arizona (Southwest Region, population of 160,000); Lakewood, Colorado (West Region, population of 140,000); Sandy Springs, Georgia (Southeast Region, population of 95,000); and Quincy, Massachusetts (Northeast Region, population of 90,000). Housing characteristics which were evaluated include housing tenure (percentage of owner-occupied housing units versus renter-occupied housing units) and housing type. **Table 10** shows the results of this comparison, using data provided by the 2010 ACS 5-Year estimates.

**Table 10**  
**Comparison of Housing Tenure and Housing Types**  
**City of Sterling Heights and Selected U.S. Cities, 2010**

Housing Category	Sterling Heights, MI	Overland Park, KS	Tempe, AZ	Lakewood, CO	Sandy Springs, GA	Quincy, MA
	(Pop. 130,000)	(Pop. 175,000)	(Pop. 160,000)	(Pop. 140,000)	(Pop. 95,000)	(Pop. 90,000)
<b>Total Occupied Housing Units</b>	<b>48,849</b>	<b>71,465</b>	<b>64,227</b>	<b>61,453</b>	<b>40,614</b>	<b>40,600</b>
<i>Owner-Occupancy Percentage</i>	79%	66%	47%	60%	51%	49%
<i>Renter-Occupancy Percentage</i>	21%	34%	53%	40%	49%	51%
<b>Type of Occupied Housing Units</b>						
<i>1 Unit, Detached</i>	68%	62%	47%	50%	40%	35%
<i>1 Unit, Attached</i>	10%	11%	8%	11%	9%	3%
<i>2 Unit, Apartments</i>	1%	1%	2%	1%	1%	15%
<i>3 or 4 Unit, Apartments</i>	3%	5%	6%	4%	3%	10%
<i>5 to 9 Unit, Apartments</i>	9%	10%	8%	9%	12%	6%
<i>10 or More Unit Apartments</i>	7%	10%	26%	23%	35%	30%
<i>Mobile Home or Other Types</i>	3%	0%	3%	1%	0%	0%

Source: 2010 ACS 5-Year Estimates

In terms of housing tenure, the City of Sterling Heights, at 79%, has a significantly higher percentage of owner-occupied housing units than the other compared cities. The next-highest owner-occupied housing rate was found in Overland Park, at 66%, while the lowest owner-occupied housing rate was found in Tempe, at 47%.

In terms of the type of housing units, Sterling Heights featured the highest percentage of 1 unit detached units at 68%. The city with the next-highest 1 unit detached percentage was Overland Park, at 62%. The City of Quincy had the lowest 1 unit detached percentage at only 35%. Sterling Heights' percentage of 1 unit attached structures, at 10%, was at the higher end of the comparable communities, with the lowest percentage of 3% found in Quincy. For multiple-unit apartment structures, the City of Sterling Heights' percentages were generally lower than the other comparable communities, particularly in the 10 or more unit apartment buildings category where four out of the five top-performing communities had more than 20% of their housing stock within this category.

### Housing Gap Analysis Findings

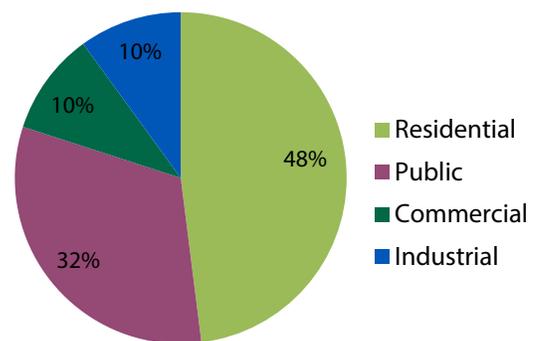
Based upon a review of the current housing types within the City, emerging housing type trends and preferences, and the housing stock make-up of similar top-performing cities, the City of Sterling Heights should seek to ensure housing choice for individuals of all lifestyles and ages through the provision of a more diversified housing stock. Although the single-family detached home is likely to remain the dominant housing type within the City over the next 25 years, the City should encourage and allow for other non-traditional housing types which are increasingly desired by Americans, such as duplexes, fourplexes, bungalow courts, live/work units, and courtyard apartments. The City should also diversify its housing stock by encouraging and allowing, where appropriate, housing types which enable citizens to age-in-place, such as accessory dwelling units, active senior living developments, and elderly care facilities. Finally, an appropriate balance of affordable units and rental units should be maintained as an option for those who desire affordable housing and/or who would prefer to rent instead of own their housing units.

## Land Use Ratios

Land use ratios refer to the breakdown of various categories of land as a percentage of the total amount of land in a community. They are important to examine as part of long-range planning because the data helps local planners to gauge the appropriate mix of land uses that should be encouraged in the future.

The American Planning Association last conducted a survey of land use ratios in 1992. As part of this investigation, a total of 32 large cities (cities having a population of over 100,000 people) were surveyed. Data was collected from their review of recently completed community master plans or through telephone interviews. The results of this survey are shown in **Figure 8**.

**Figure 8**  
**APA Large City Land Use Survey**



Source: Planner's Estimating Guide: Projecting Land-Use and Facility Needs. By Arthur C. Nelson, FAICP. American Planning Association, 2004.

To compensate for the dated nature of this study, the City’s 2015 existing land use data was benchmarked against comparable data from similar top-performing cities. Similar to the housing type comparison above, the comparable cities included: Overland Park, Kansas; Tempe, Arizona; Lakewood, Colorado; Sandy Springs, Georgia; and Quincy, Massachusetts, all of which are included in the Top 100 Best Places to Live ranking for 2015 by Livability. The results of this comparison are presented in **Table 11**, below.

This data suggest the City of Sterling Heights is generally in balance with its peer group with respect to the percentage of land consumed by most land use categories; however, two exceptions exist. The City of Sterling Heights generally has a higher percentage of its land area occupied by institutional, recreational, and quasi-public uses. This can be attributed to the significant amount of park land found in the City. The City of Sterling Heights also generally has less available land for development. Only seven percent of the City’s land area is undeveloped land (vacant, agricultural, rights-of-way, water). This suggests more of the City’s future planning effort will be directed to reuse and redevelopment opportunities.

**Table 11**  
**Comparison of Existing Land Use Ratios**  
**City of Sterling Heights and Selected Top 100 Best Places to Live Communities**

Existing Land Use Category	Sterling Heights, MI	Overland Park, KS	Tempe, AZ	Lakewood, CO	Sandy Springs, GA	Quincy, MA
	(Pop. 130,000)	(Pop. 175,000)	(Pop. 160,000)	(Pop. 140,000)	(Pop. 95,000)	(Pop. 90,000)
Residential	46%	39%	45%	59%	49%	53%
Commercial/ Office/Mixed-Use	8%	7%	14%	11%	8%	10%
Industrial/ Transportation/ Communication/Utilities	11%	1%	16%	3%	15%	6%
Institutional/ Recreational/ Quasi-Public	29%	16%	7%	20%	7%	6%
Vacant/ Agricultural/ Rights-of-Way/ Water	7%	36%	19%	7%	20%	24%

Sources: Wade Trim Field Survey, June 2015 (Sterling Heights); City of Overland Park Existing Land Use Survey, December 2013 (Overland Park); Wade Trim, derived from Lakewood Comprehensive Plan 2025 (Lakewood); Tempe General Plan 2030 (Tempe); City of Sandy Springs Comprehensive Plan Community Assessment Report, 2007 (Sandy Springs); Wade Trim, derived from City of Quincy Zoning Map (Quincy).

## Non-Residential Land Use Projections

The following analysis details the potential commercial, office and industrial base, as well as the potential amount of commercial, office and industrial land which could be consumed by the end of the planning period (2040) according to national land use standards.

### Commercial and Office Land Use

The quantity of developed commercial and office land a community will need in the future is dependent upon its current population size, commuting patterns, household incomes, spending habits, infrastructure capacity, availability of desirable sites, as well as a myriad of other factors within the regional market. Presently, 1,400.4 acres of land, or 6% of the total City land area, is occupied by commercial use while 403.8 acres of land, or 1.7% of the total City land area, is occupied by office land use.

One method of determining future commercial land use need is based on national standards for the number of employees per acre for the commercial sectors. The results of this analysis are displayed in **Table 12**, based on the employee per acre standard for the retail trade as specified in *“Planner’s Estimating Guide: Projecting Land-Use and Facility Needs”*<sup>25</sup> and the total number of projected commercial jobs by sector as reported in the SEMCOG 2040 Forecast. The results of this analysis show the need for 809.4 total acres of commercial land within the City, which is significantly less than the 1,400.4 commercial land use acres currently found within the City. Thus, the findings would indicate a surplus of existing commercial land; however, this estimating method does not adequately account for the City’s position within the Region as a major provider of commercial uses, as evidenced by Lakeside Mall.

**Table 12**  
**Employee Per Acre Standards for Estimating Commercial Land Use**  
**City of Sterling Heights, 2040**

Commercial Sector	Total Commercial Jobs 2040 (a)	Employees Per Net Acre (b)	2040 Estimated Commercial Acreage (c)
Retail Trade	6,581	16.62	396.0
Leisure & Hospitality	6,871	16.62	413.4
<b>Totals</b>	<b>13,452</b>		<b>809.4</b>

Footnotes:

(a) Source: SEMCOG 2040 Forecast.

(b) Source: Employment-Based Land-Use Needs (Table 4-6), from "Planner's Estimating Guide: Projecting Land-Use and Facility Needs."

(c) Total Commercial Jobs 2040 divided by Employees Per Net Acre

<sup>25</sup> Planner’s Estimating Guide: Projecting Land-Use and Facility Needs. By Arthur C. Nelson, FAICP. American Planning Association, 2004.

The same employee per acre standard can be applied to estimate future office land use. The results of this analysis are displayed in **Table 13**, based on the employee per acre standard for general office as specified in *“Planner’s Estimating Guide: Projecting Land-Use and Facility Needs”* and the total number of projected office jobs by sector as reported in the SEMCOG 2040 Forecast. The results of the analysis would indicate that the City could accommodate an additional 250 acres of office land use beyond the 400 existing acres of office land use currently found within the City.

**Table 13**  
**Employee Per Acre Standards for Estimating Office Land Use**  
**City of Sterling Heights, 2040**

Office Sector	Total Office Jobs 2040 (a)	Employees Per Net Acre (b)	2040 Estimated Office Acreage (c)
Knowledge-based Services	14,830	31.08	477.2
Services to Households & Firms	5,688	31.08	183.0
<b>Totals</b>	<b>20,518</b>		<b>660.2</b>

Footnotes:

(a) Source: SEMCOG 2040 Forecast.

(b) Source: Employment-Based Land-Use Needs (Table 4-6), from "Planner's Estimating Guide: Projecting Land-Use and Facility Needs."

(c) Total Office Jobs 2040 divided by Employees Per Net Acre

### **Industrial Land Use**

The quantity of developed industrial land a community will need in the future is dependent upon its current employment base, infrastructure capacity, local political philosophy, availability of desirable sites, as well as a myriad of other factors within the regional market. Presently, 2,473.6 acres of land, or approximately 11% of the land area of the City of Sterling Heights, is occupied by industrial use.

One method of determining future industrial land use need is based on national standards for the number of employees per acre for various industrial sectors. The results of this analysis are displayed in **Table 14**, based on the employee per acre standard as specified in *“Planner’s Estimating Guide: Projecting Land-Use and Facility Needs”* and the total number of projected jobs by industrial sector as reported in the SEMCOG 2040 Forecast. The results of this analysis show the need for only 970.5 total acres of industrial land within the City, significantly less than the 2,473.6 acres currently found within the City.

**Table 14**  
**Employee Per Acre Standards for Estimating Industrial Land Use**  
**City of Sterling Heights, 2040**

<b>Industrial Sector</b>	<b>Total Industrial Jobs 2040 (a)</b>	<b>Employees Per Net Acre (b)</b>	<b>2040 Estimated Industrial Acreage (c)</b>
Natural Resources, Mining & Construction	4,473	28.73	155.7
Manufacturing	10,857	16.44	660.4
Wholesale Trade, Transportation, Warehousing & Utilities	3,420	22.15	154.4
<b>Totals</b>	<b>18,750</b>		<b>970.5</b>

Footnotes:

(a) Source: SEMCOG 2040 Forecast.

(b) Source: Employment-Based Land-Use Needs (Table 4-6), from "Planner's Estimating Guide: Projecting Land-Use and Facility Needs."

(c) Total Industrial Jobs 2040 divided by Employees Per Net Acre

Another method of determining future industrial land use need is achieved through the application of employment/density ratios. This method calculates future industrial acreage based on the projected number of industrial jobs multiplied by the existing employment density (industrial jobs per acre) in the community. The results of this analysis are shown in **Table 15**. According to the SEMCOG 2040 Forecast, the total number of industrial jobs within Sterling Heights is projected to marginally decline between 2015 and 2040. Thus, the total needed industrial acreage within the community is also expected to decline, from 2,473.6 acres to 2,351.4 acres.

**Table 15**  
**Employment Density Ratios for Estimating Industrial Land Use**  
**City of Sterling Heights, 2015 - 2040**

<b>Total Industrial Jobs 2015 (a)</b>	<b>Ex. Industrial Acreage 2015 (b)</b>	<b>2015 Employment Density: Industrial Jobs Per Acre (c)</b>	<b>Total Industrial Jobs 2040 (d)</b>	<b>2040 Estimated Industrial Acreage (e)</b>
19,725	2,473.6	7.974	18,750	2,351.4

Footnotes:

(a) Industrial Jobs = Natural Resources, Mining & Construction; Manufacturing; and, Wholesale Trade, Transportation, Warehousing, & Utilities. Source: SEMCOG 2040 Forecast.

(b) Source: Wade Trim field survey, June 2015.

(c) Total Industrial Jobs 2015 divided by Ex. Industrial Acreage 2015

(d) Industrial Jobs = Natural Resources, Mining & Construction; Manufacturing; and, Wholesale Trade, Transportation, Warehousing, & Utilities. Source: SEMCOG 2040 Forecast.

(e) Assumes that the 2015 Employment Density will remain the same through 2040.

Both methods of forecasting future industrial land uses show an existing surplus of industrial land within the City of Sterling Heights. It is our opinion, however, that neither method appropriately takes into consideration the City's place within the entire Region and State as a manufacturing hub. Due to its geographic location, transportation networks, infrastructure systems, and corporate and local investments, the City has a large, growing and "in-demand" industrial sector. Further insight into the regional and local industrial marketplace is provided in the following chapter (Evaluation of Local Market Conditions).

# Evaluation of Local Market Conditions

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## Introduction

Any future land use planning effort must consider the amount of retail, office and industrial space which can be reasonably absorbed during the planning period. Thus, an evaluation of national, regional, and in particular, local market conditions is necessary in order to develop realistic and achievable future land use recommendations. Colliers International has prepared this market conditions assessment using proprietary database information built upon historical supply, demand, and absorption rate data, as well as transaction comparables. Additionally, Colliers International draws upon its understanding of regional and local market trends and conditions gained through years of experience working in the real estate market of Metro Detroit.

This evaluation focuses on three key real estate sectors: Industrial, Office, and Retail (Commercial). The chapter first begins with an evaluation of these three sectors from a national perspective, drilling down to regional trends, and culminating with specific trends and opportunities within the local market.

## National Overview

### *Retail (Commercial) Real Estate Sector*

No other real estate sector is facing the challenges of the retail sector. While other sectors are changing the way they do business, the internet is making brick and mortar retailers fight for their very existence. In some cases, the battle is already over. Stores like Sam Goody, Hollywood Video, and Borders have already succumbed to online competition. With the advent of online retail, retailers not only face competition from each other, but from a completely different form of shopping. For brick and mortar retailers, the change is palpable. Instead of having a large inventory and massive footprint to offer the most products, the focus has changed to offering the best experience possible. The goal is to offer something in the store that makes people put their laptops or phones away, and come into the store. In this environment, the Apple Store is the gold standard; customers come in for the experience as much as the product.

The following are key national trends within the retail sector:

#### Smaller Stores

For many retailers, aside from the Walmarts and Meijers of the world, the larger store is not always better. Retailers are looking for a smaller, more specialized location that focuses on experience and customer service. This means better materials inside, and a highly trained, customer oriented staff. The goal is not to have as much stuff as possible, but to provide an experience that gets people to fore-go online shopping.

#### Less Inventory

The rise of online shopping has created a disincentive to keep large amounts of inventory in the store. Retailers find it far more efficient to use their store as a showroom, and ship directly to a consumer from a central warehouse. Once again, the Apple Store provides an excellent example – the store's

inventory is significantly smaller and more specialized than the big box retailers it helped put out of business (Comp USA, Circuit City).

### Fast Casual Restaurants

With a price that is in-between a fast food place and a sit-down, tablecloth restaurant, the fast casual category has come to dominate the food service industry. According to data from market research firm Euromonitor, the category has grown by 550 percent since 1999, more than ten times the growth seen in the fast food industry over the same period. Hallmarks include good quality food, simple menus, and quick service that does not require paying a server a tip. While Chipotle and Panera Bread Company are the industry standard, there are countless other restaurants trying to break into this category.

### Dead Malls

All over the country, older shopping malls are getting squeezed. For many malls, they face the dual challenge of changing, negative demographics, combined with increased competition from other malls. The death of a mall is often slow and painful due to the investment structure, and sometimes leaves behind a white elephant for the community to address. Many malls, however, have been redeveloped into successful power centers, such as Tel-Twelve Mall in Southfield and Universal Mall in Warren.

### Premium Grocers

With Whole Foods leading the way, many grocers have decided to stop competing with Kroger or Walmart on price, and have elected to offer higher quality food instead. A focus on smaller stores, higher quality foods, and prepared foods sets these grocers apart from their mass market brethren. The higher-end chains (such as Plum Market and Fresh Thyme) are expected to cut into the market share of mid-level, full service chains such as Kroger.

### Online and Brick and Mortar as an Integrated Strategy

While some experts predicted the demise of brick and mortar retail altogether due to online competition, this is hardly the case. Many companies are using the brick and mortar store and the web as an integrated retail strategy, as after all, as of 2013, just 6% of all retail sales occurred online. Interestingly enough, many companies that started as pure online retailers are expanding into retail stores, enjoying the benefit of a clean slate and a fresh site-selection strategy, and a new way to position their brand. Eyeglass manufacturer Warby Parker is a well-known example, using a select few stores to grow from an online-only platform.

## **Office Real Estate Sector**

The office sector has experienced an uneven recovery. In first tier markets, such as Chicago, New York, and San Francisco, trophy office buildings are trading and leasing for record prices. In those cities, the recession is over – financial and technology firms are willing to pay for quality space in urban environments. In secondary markets such as Detroit, the office market is still recovering. In these markets, the office sector is facing unique pressures. Employers generally have smaller headcounts, and from there, are using significantly less space per employee. Due to technology, many companies encourage people to work from home, saving real estate costs. With this in mind, the glut of space on the market ensures that tenants will continue to hold more cards in the negotiation process, especially in lower quality buildings. However, for quality buildings, even in markets like Detroit, the outlook is much brighter.

The following are key national trends within the office sector:

### Efficient Layouts

The greatest change in office real estate is the shift towards the open-office layout. Instead of private offices and chopped up spaces, companies are opting for far fewer offices, and open, public spaces. The benefits are two-fold: increased collaboration between employees; and, more efficient utilization space. For landlords, this is not necessarily good news. According to CoreNet Global, the average amount of space per office worker globally is approximately 150 feet or less, down from 225 feet in 2010.

### Virtual Commuting

The technological changes of recent years make telecommuting and virtual commuting easier than ever before. The typical telecommuter is a well-educated, high wage earner. According to the Census Bureau's annual American Community Survey, the average telecommuter holds a degree, earns about \$58,000 a year, and belongs to a company with more than 100 employees. For office users, it allows a more flexible work environment, and allows companies to cast a wider net for talent. From a real estate perspective, it allows companies to save on real estate costs by simply leasing less space.

### Urban and Downtown Offices

The shift of the millennial generation towards cities and urban environments is not a fad; it is a trend that will affect real estate markets for generations to come. For companies that want to attract and retain smart, hardworking, and young employees, a downtown campus is considered a must. Locally, this shift in tastes and preferences has caused many relocations from the suburbs to the city, such as: advertising firm Campbell Ewald vacating their building in Warren; BlueCrossBlueShield leaving their property in Southfield; and, Dan Gilbert's umbrella of companies relocating over 12,000 employees from the suburbs to the central business district.

### Office as Recruiting and Retention Tool

Piggybacking off of the urban and downtown office trend is the office as a recruiting tool. The no-frills office of the past has given way to the high-design, high amenity office of the present. High-end cafes, day-care centers, and other amenities are now seen as a necessity to retain top-tier talent. Locally, Quicken Loans is known for its spare-no-expense offices, with excellent fit and finishes, youthful décor, and programmed place-making initiatives at the street level.

### Amenities

For office users, nearby amenities are important for employees. Office users pay attention to what restaurants are nearby, if there is a dry cleaners in the area, if there are shops and stores, etc., to provide an upbeat environment for employees. Companies also look for amenities like hotels and golf courses for entertaining clients and accommodating out of town guests. While not every company is image conscious, Class A office tenants, especially in the legal, financial, and management consulting fields, are very protective of their brand.

## **Industrial Real Estate Sector**

Nationally, the Industrial Real Estate sector has recovered quickly from the recession. A strengthening national economy is driving the demand for space amongst industrial users, which tightens the supply, and turns the market conditions in the favor of landlords. In some submarkets, speculative

development (where a developer builds before space is leased) is heating up. While users demand more space, investors continue to have interest in the asset class, especially in newer buildings. Industrial space is viewed as a safe investment because of market demand and the perceived operational cost advantages – cheaper to construct, easier to repair, less regulation issues, cheaper to re-tenant – than other asset classes. Overall, the trend in industrial is towards larger, more efficient buildings that offer excellent truck access, and more importantly, the flexibility to adapt to future needs.

The following are key national trends within the industrial sector:

#### Efficient Systems

Industrial buildings today are more energy efficient than ever before. Every user wants to decrease their electric and water bills, and this is reflected in today's industrial building. HVAC systems are significantly improved from just fifteen years before, providing a more comfortable workplace and a lower bill at the end of the month. Green Buildings, such as Ford Motor Company's Rouge plant, can also be used as a showcase for the company's brand identity.

#### Clear Heights and Column Spacing

While layouts are more efficient, the most obvious change in today's industrial buildings is the taller clear heights and the column spacing. The taller clear heights allow for more stacking of goods, and more room for machinery. The wider column spacing/lack of columns allows for more freedom of movement, and the ability to quickly retool a manufacturing space. Nationwide, the 30-foot clear building is becoming the minimum many tenants will consider.

#### Infill Development

After generations of greenfield development, characterized by industrial users building facilities farther and farther out of the city, more industrial users are giving infill sites a second look. Infill sites offer in-place infrastructure, access to stronger employee demographics, access to redevelopment incentives, and closer access to potential delivery sites.

#### Automation

Automation of industrial production is hardly a new phenomenon. The factory that once employed thousands now only needs a fraction of the employees. While this does not affect the industrial real estate directly, it does affect policy making for cities everywhere, as there simply are not as many jobs available. As a local example, the former Dodge Main Plant in Hamtramck employed over 40,000 people during World War II; the current facility, GM's Detroit/Hamtramck Assembly plant, employs approximately 1,600.

#### Less Pollution

Due to regulation and new efficiencies, industrial facilities are not always the poor neighbors that they used to be. The image of the factory belching smoke into the air is a dated one, for the most part. However, industrial facilities do generate more truck traffic, and can also bring noise and pollution when located next to trains.

## Regional Overview

### *Retail (Commercial) Real Estate Sector*

The overall retail vacancy rate in the Metro Detroit market area decreased to 8.3% at the end of the second quarter 2015, a 30 basis point decrease from the previous quarter. The highest vacancy rates were found in the Downriver area at 14.2%, and the Southfield market with 14.9%. The lowest vacancy rates were in Troy at 2.8%, and Ann Arbor at 4.5%. At \$16.64 per square foot, the Bloomfield submarket reported the highest rents. Overall, the general feeling is that the worst of the recession is over.

Because each category of retail is so different, a brief analysis of each sector has been provided, as opposed to a broad overview of the entire market.

#### Shopping Centers

In the Metro Detroit market area, the average quoted rental rate for shopping centers, all classes (community centers, neighborhood centers, and strip centers) was \$12.56 per square foot at the end of the second quarter of 2015, a small increase from \$12.36 in the previous quarter. Year-to-date, the sector has absorbed 471,748 square feet of space. Since the first quarter, the vacancy rate decline from 13.3% in the previous quarter to 13.0%, further signs of growing confidence in the sector and the market. The affluent Bloomfield submarket quoted the highest rents for the quarter at \$17.72 per square foot.

#### Power Centers

A power center is an unenclosed shopping center that usually has three or more “big-box” tenants. The category has become the development tool of choice to replace enclosed shopping malls, due to their ability to offer a good mix of stores that are better suited to the community’s demographics. Metro Detroit’s power center market showed improved metrics in the second quarter of 2015 from the previous quarter. The vacancy rate decreased from at 7.3% in the first quarter of 2015 to 6.8% in the second quarter. The declining vacancy rate has not translated into strong rental growth, as the rental rate improved just 2 basis points, from \$13.12 to \$13.14 per square foot. In strong submarkets, such as Bloomfield Hills, power centers can command rents upwards of \$36.00 per square foot.

#### General Retail

For general retail, which includes all freestanding retail buildings that are not contained within a shopping center, the second quarter reported 700,134 square feet of net absorption, for a year-to-date total of 1,262,134 square feet of absorption. This marks an excellent start to the year. Across the entire market, average quoted rents are reported at \$11.30, a slight improvement from the previous quarter’s rents of \$11.23.

#### Investment Sales

The second quarter of 2015 was a busy quarter for investment sales. A total of 312 buildings sold for a total volume of \$127,582,193 for a median sales price of \$60.43, and an average cap rate of 7.98%. Notable sales included Shelby Corners in Utica, and Crossroads Town Center in Howell. Institutional capital from within and outside of Michigan have bought and sold properties, which demonstrates that a renewed confidence in the Michigan economy.

### New Construction Slow

The second quarter of 2015 marked a continuation of slow construction trends in Metro Detroit. Just 355,750 square feet of new space was delivered, with approximately 318,845 square feet of new product in the pipeline. While Metro Detroit's macroeconomic indicators are recovering, they are still not high enough to support a wave of new construction.

### **Office Real Estate Sector**

In the Metro Detroit market area, the average quoted rental rate for available office space, all classes, was \$18.14 per square foot at the end of the second quarter of 2015. This represents a solid increase from the previous quarter's quoted rent of \$17.99. The average Class A quoted rental rate was \$20.95 per square foot, a slight increase from \$20.62 in the previous quarter. Quoted rents in Detroit's CBD increased to \$23.76 per square foot. Class A suburban markets quoted \$20.59 per square foot, an increase from the previous quarter's \$20.28. Because of the sheer amount of vacant space available in the market, major rent growth market-wide is not expected. With the exception of a select few submarkets (such as Downtown Detroit, Ann Arbor and Birmingham), landlords will continue to cut aggressive deals to lure tenants.

Major regional office sector trends are highlighted below:

### Vacancy Rates on the Decline

The overall office vacancy rate in the Metro Detroit market decreased by twenty basis points, reporting 14.6% at the end of the second quarter of 2015. The vacancy rate has continuously improved since 2010, with the exception of a small aberration for the second quarter of 2014. Across the market, Class A performed well in the second quarter, with a reported vacancy rate of 13.3%, down forty basis points from 13.7% at the end of the first quarter of 2015. In Metro Detroit's larger office markets, the highest vacancy rates were reported in the suburban submarkets of Troy North (34.1%), Farmington Hills (27.8%), and Southfield (24.2%). Across all classes, a total of 28,552,487 square feet of space remains available. Overall, the entire Metro Detroit market is much healthier than it was in 2010, when the vacancy rate climbed to 18.3%.

### Notable Leases and Absorption

Net absorption for the overall Metro Detroit office market was strong in the second quarter of 2015. A total of 1,016,993 square feet of space was absorbed across all classes in the market, which complements the 467,143 square feet absorbed in the previous quarter. This is an excellent start to the year, and a far cry from the dark days of 2009, when the market reported negative 2,296,985 square feet of absorption for the entire year.

### Major Trades on the Market

The most recent deal to grab headlines in the second quarter of 2015 was the sale of the Fisher and Kahn Buildings located in the New Center district of Detroit. While local landmarks, the Fisher and Kahn buildings had fallen on hard times due to deferred maintenance and increased competition from downtown office buildings. A consortium led by local and New York investors was able to purchase the 776,502 square foot complex for just \$12.2 million. The group plans a major renovation which will likely convert some of the office to residential. After the high sales prices of the Compuware Building and the One Detroit Center, which went for over \$100,000,000 to local entrepreneur Dan Gilbert, the Fisher and Kahn sale is a reminder that the Detroit market still has significant redevelopment work ahead. The high sales numbers for the One Detroit Center and Compuware building are a good sign

for the market, however, showing that investors have confidence in the Metro Detroit area's economic prospects.

#### Little Headway in Construction

Metro Detroit's office market continues to lack the fundamentals for new construction. Just 47,428 square feet of office space has been delivered in the first two quarters of 2015. With construction costs continuing to climb and plenty of available space on the market, a wave of new construction is not expected anytime soon.

#### **Industrial Real Estate Sector**

The average quoted rental rate for available industrial space, all types, was \$4.97 per square foot at the end of the second quarter of 2015. This represents a \$0.13 increase from the previous quarter. The market for flex space saw a slight increase in rents. The average quoted rental rate for flex space at the end of the second quarter was \$8.04, an increase of \$0.15 from the previous quarter. The average quoted rental rate for warehouse space at the end of the second quarter was \$4.50, a \$0.06 increase. Rental rates have been grown steadily since 2011, growing from \$4.41 to \$4.97 per square foot. In tight submarkets, especially the Ann Arbor area, rental rates can be well north of \$7.00 per square foot.

Major regional industrial sector trends are highlighted below:

#### Vacancy Decreases

The industrial vacancy rate in Metro Detroit decreased to 6.8% at the end of the second quarter of 2015; a number that represents a 180 basis point improvement from the second quarter of 2014. When viewing vacancy statistics with a broader lens, the 6.8% vacancy rate is a significant improvement from the 13.8% peak in 2010.

The Troy submarket reported the lowest vacancy rate at 3.1%. The East Area/Macomb County submarket continues to be a strong performer as well, reporting a 3.2% vacancy rate. Detroit reported the highest vacancy rate at 14.4%. In general, the high vacancy rates are correlated to the number of obsolete buildings located in the submarket. Within the Detroit market, quality buildings have not struggled to capture tenants. Troy has arguably the best combination of demographics and new buildings, which is why demand continues to get stronger by the day.

#### Absorption Positive

Net absorption for Metro Detroit's industrial market was positive 2,090,333 square feet in the second quarter of 2015. This represents an excellent start to the year, and a healthy follow up to the previous quarter's total of 2,036,371 square feet.

Moving into the second half of 2015, the market's main client base, the automotive industry, is in position to expand. This will continue to drive positive absorption. Also, with little in the way of new construction, the market will continue to be tight. Brokers will have less product to show tenants, giving landlords the upper hand during lease negotiations.

#### Sales Market Improving

The second quarter of 2015 reported a number of significant deals and racked up four sales to out-of-state real estate investment trusts (REIT's). Brennan Investment Group, American Realty Capital, and STAG Industrial Management all completed transactions in Metro Detroit with a total consideration of \$45,426,760. In the second quarter, 5,012,562 square feet of space traded, with an average sale price of

\$35.85 per square foot. The average deal size was 25,063 square foot. Out-of-state capital returning to Michigan is an excellent sign for Michigan’s economy, showing that institution grade investors are willing to stake their capital and reputation on the health and economic growth prospects in Metro Detroit.

New Construction Slow

In the second quarter of 2015, 607,562 square feet of space was delivered, the majority of which was build-to-suit or expansion space. New construction has been slow for all sectors of real estate in Detroit.

**Sterling Heights Overview**

A historical gauge of the change in establishments by industry code classification for the City of Sterling Heights is provided as **Table 16**. Overall, the number of establishments within the City has grown by 1.6%, from 2,774 establishments in 2002 to 2,817 establishments in 2012.

**Table 16**  
**Establishments by Industry Code Classification**  
**City of Sterling Heights, 2002 - 2012**

Industry Code Classification	2002	2012	Change 2002-2012	
			Number	Percent
Construction	315	248	-67	-21.3%
Manufacturing	293	269	-24	-8.2%
Wholesale Trade	173	184	11	6.4%
Retail Trade	494	453	-41	-8.3%
Transportation & Warehousing	46	106	60	130.4%
Information	35	37	2	5.7%
Finance & Insurance	161	162	1	0.6%
Real Estate, Rental, & Leasing	85	81	-4	-4.7%
Professional, Scientific, & Technical Services	248	248	0	0%
Management of Companies & Enterprises	14	14	0	0%
Admin. Support, Waste Management and Remediation Services	149	152	3	2.0%
Educational Services	14	19	5	35.7%
Health Care and Social Assistance	244	343	99	40.6%
Arts, Entertainment & Recreation	27	26	-1	-3.7%
Accommodations & Food Service	217	224	7	3.2%
Other Service (Except Public Administration)	246	250	4	1.6%
Unclassified	13	1	-12	-92.3%
<b>Totals</b>	<b>2,774</b>	<b>2,817</b>	<b>43</b>	<b>1.6%</b>

Source: U.S. Census Bureau, 2002 and 2012 Zip Code Business Patterns.

Over the 10 year span, the fastest growing industry codes within the City, by percent change in number of establishments, included:

1. Transportation & Warehousing (130.4%)
2. Health Care and Social Assistance (40.6%)
3. Educational Services (35.7%)
4. Wholesale Trade (6.4%)
5. Information (5.7%)

The most significant declines were found in the following industry code classifications:

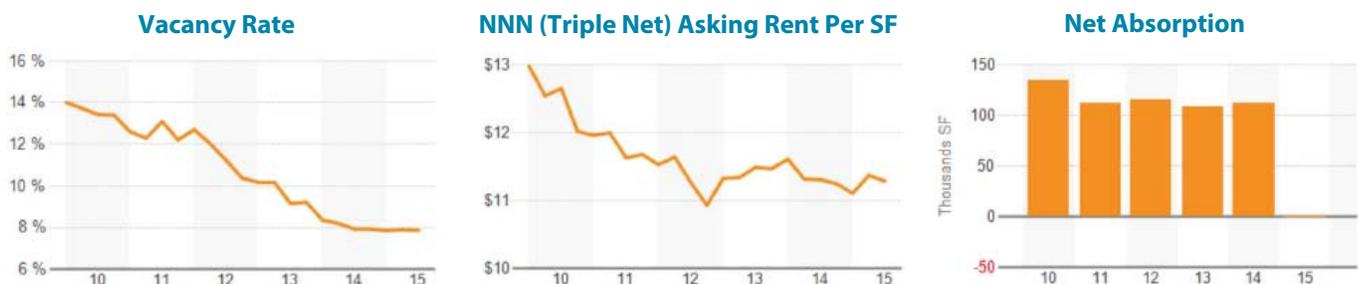
1. Unclassified (-92.3%)
2. Construction (-21.3%)
3. Retail Trade (-8.3%)
4. Manufacturing (-8.2%)
5. Real Estate, Rental, & Leasing (-4.7%)

### Retail (Commercial) Real Estate Sector

In Metro Detroit, Sterling Heights is known as a quality trade area for retailers. Sterling Heights offers both residential and daytime traffic to potential retailers. Sterling Heights is home to many national retailers, and is the home of Lakeside Mall. Lakeside Mall was once the top mall in Macomb County in terms of prestige, but has since lost this crown to the nearby Mall at Partridge Creek in Clinton Township. While the mall has lost status, it is still current on its mortgage, and is still generating returns for the ownership group. The mall is currently in good physical and financial condition, and is still an important draw for other retailers in the community. Because of this, Sterling Heights should do everything within its capabilities to ensure that the mall stays in top form. Because of the complicated financial structures of malls, any decline of Lakeside will be slow and painful for Sterling Heights. This can and should be avoided with a proactive approach to maintaining the mall.

Currently, Sterling Heights reports 8,856,858 square of retail space across all sectors, spread out over 406 buildings. The market’s vacancy rate is in good shape, at 7.7% as of the second quarter of 2015. The current vacancy rate is a notable improvement from a high of 15.4% in 2008. The market is performing, but a windshield survey reveals that some of the retail property is beginning to look dated. While there is demand for space, the lack of rental growth shows that there is little “gotta have it” space in Sterling Heights. Rental rates have remained stagnant, currently at 11.24 per square foot as of the second quarter of 2015, a price they have hovered around since 2011.

#### Retail Trends Sterling Heights, 2010-2015



### Strategic Opportunities in the Local Retail Market

Because of retail's importance to both residents and employers, it is the recommendation of Colliers International that Sterling Heights be aggressive with keeping the city's retail portfolio up-to-date. While Lakeside Mall is currently performing, the City must keep an eye on the property to ensure that it does not join Northland Mall as a community liability. New retail should avoid enclosed malls, and focus on upmarket facilities that project a positive image for the community. In short, be very picky about which projects gain approval.

### **Office Real Estate Sector**

In Metro Detroit, Sterling Heights is a secondary office market. Ann Arbor, Auburn Hills, Downtown Detroit, Novi, Farmington Hills, and Troy are the established players in the sector, while Birmingham plays a role as providing top-tier office space for image conscious users. Given the amount of vacant space available in markets like Troy, Farmington Hills, and Southfield, and the increased competition from a revitalized Downtown Detroit, it is difficult to imagine Sterling Heights becoming a major player in the office sector. However, as an office market, Sterling Heights has a key advantage – proximity to defense contractors on the Mound Road Corridor. For defense contractors, Sterling Heights is an attractive location for office and research and development facilities, and a major build-to-suit for a defense contractor is likely the only way a major office project breaks ground.

Currently, Sterling Heights has 2,965,236 square feet of office inventory spread out over 180 buildings. The market's vacancy rate is a very healthy 9.7% as of the second quarter of 2015, a tremendous achievement given the 19.9% vacancy rate in the fourth quarter of 2009. While spaces have filled up, rental rates have decreased since 2009. In the first quarter of 2009, rental rates were \$18.45 per square foot. Currently, office space averages \$16.09 per square foot, showing that landlords need to be aggressive to lure tenants. With so much empty space in the overall Detroit Market, it is not expected for rents to grow significantly in Sterling Heights in the immediate future.

**Office Trends  
Sterling Heights, 2010-2015**



### Strategic Opportunities in the Local Office Market

While there is positive momentum in the office market, it is the recommendation of Colliers International that Sterling Heights deprioritize office development. Sterling Heights as a market lacks the fundamentals to lure national tenants, especially when so many buildings are still available in other submarkets, and when the broader trends affecting the office sector are considered. However, as noted above, the City may be able to capture new office and research and development facilities related to the defense sector.

## Industrial Real Estate Sector

In Metro Detroit, Sterling Heights is known as one of the area's better industrial markets. Sterling Heights is known within the commercial real estate community as a City that offers quality building stock without the high prices of Troy and Auburn Hills. Sterling Heights offers industrial users rail access, excellent highway access, rectangular and square shaped parcels, and proximity to other large industrial users. Chrysler and Ford Motor Company anchor the City's industrial market, drawing various other tool-and-die, suppliers, and warehouse users to the market. Sterling Heights has also branched out away from the automotive industry, and has become a nationally recognized hub for the defense industry. Sterling Heights's ability to lure defense contractors is a unique quality within Metro Detroit, as the region is still heavily reliant on the auto industry.

As of the second quarter of 2015, Sterling Heights reports 26,212,300 square feet of industrial and flex space, spread out over 539 buildings. The market's vacancy rate is an astoundingly low 1.9%, with a miniscule 17,000 square feet of space under construction. This is one of the tightest markets in Metro Detroit. Rental rates have also reported significant growth, from a low of \$4.34 in 2011 to the current second quarter 2015 rate of \$5.85. The growing rents and low vacancy rates, coupled with little new product on the way, means that Sterling Heights is becoming a landlords' market. Quality space is difficult to find, and does not last long on the market. Because of these factors, rents are expected to continue to grow.

### Industrial Trends Sterling Heights, 2010-2015



### Strategic Opportunities in the Local Industrial Market

Because of the tight market and the positive momentum, it is the recommendation of Colliers International that Sterling Heights prioritize industrial development. Sterling Heights has all the features industrial users look for, and the market demands more and better space. Sterling Heights has all the fundamentals in place to attract and retain blue-chip industrial users, and should continue to build off of this track record of success.

## **General Strategies to Capitalize on Local Market Conditions**

Specific strategies were outlined above for each of the three real estate markets. The City should use those strategies as a framework for the development of policies and future land use planning proposals. Additionally, the City should pursue the following general strategies in its efforts to promote economic development, job generation, and main high quality shopping and employment options within its jurisdiction. These general strategies are outlined below, along with a case study illustrating each.

### ***Strategy 1: Be Aggressive***

Bad real estate is not like a fine wine – it does not get better with age. In fact, quite the opposite happens. Just one or two blighted buildings can cause an adverse domino effect across a submarket; other nearby owners disinvest, banks refuse to underwrite, tenants leave or avoid the market for greener pastures, etc. Cities facing economic challenges are now and always will be in a tough position. While cities cannot pack up and move, residents and businesses can. With this bargaining position in mind, it is imperative for Sterling Height’s long-term prospects to get in front of problems, and nip them before they start. Being aggressive can take many forms, from rigorous code enforcement, to purchasing and demolishing blighted properties. While being aggressive takes time, effort, and money, the long-term benefits of addressing and preventing blight are well worth it.

### ***Strategy 2: Focus on Strengths***

While it is important to address what Sterling Heights does not have, the strategy moving forward should involve building off of Sterling Heights strengths. Sterling Heights offers a good location within the Metro Detroit area, with good highway and rail access. Sterling Heights also offers a strong, educated labor pool, with plenty of manufacturing know how. Finally, Sterling Heights enjoys the presence of many large corporate stakeholders, such as Chrysler, Ford Motor Company, General Dynamics, US Farathane Corporation, and BAE Systems. Sterling Heights is strong in automotive, and more importantly, strong in the stable and growing defense sector. Currently, Sterling Heights is not a hub for legal services, finance, insurance, or technology – and that’s ok. Sterling Heights has plenty of strong building blocks, and would do well to embrace and build off of those, instead of worrying about what the City does not have.

## **Be Aggressive**

### **Case Study: Grosse Pointe Park**

Located along Lake St. Clair and the City of Detroit, during the height of the automotive recession, the City of Grosse Pointe Park noticed a growing vacancy issue in an area of the city commonly known as the Cabbage Patch. Home to many duplexes and small bungalows, the “patch” was losing renters and owners at an alarming rate. The small but affluent City developed an aggressive strategy. First, the City purchased blighted properties from the bank to ensure they were properly secured. The homes were then sold to buyers (sometimes at a loss) with a caveat—fix up the homes to the city’s high standards. Third, to help all the landlords attract tenants, the City established an incentive program. College students would receive discounted rent through a stipend provided by a City-established foundation. In the endgame, the City’s aggressive, creative program allowed the City’s housing values to recover with the economy. So far, the program has paid handsome dividends towards the City.

## Set the Table for Redevelopment

### Case Study: Windsor

In the Great Lakes region, many cities have faced severe challenges due to the retrenchment of the auto industry. Flint, Dayton, Detroit, Buffalo, Lansing, and many others have lost jobs and tax revenue due to scaled back or closed plants. One of the common critiques amongst real estate professionals is the red tape surrounding redevelopment. Incentives are competitive, difficult to understand, and awarded on an ad/hoc basis. Across the river from Detroit, another city has faced severe retrenchment from the auto industry as well. However, Windsor's redevelopment procedures are very different. Instead of a murky system of back room deals, Windsor simplified its development procedures, and makes applying simple. Instead of endless meetings and approvals, businesses that meet the pre-determined criteria are awarded the incentives. The process is simple and more transparent.

## Focus on Strengths

### Case Study: Las Vegas

By the late 1990s, Las Vegas faced an identity crisis. Wanting to break away from its seedy past, the city started marketing itself as a family-friendly vacation destination, with limited success. To re-energize the Vegas brand, an ad agency came up with the humorous, tongue in cheek "What happens in Vegas Stays in Vegas" campaign. The campaign embraced the care-free attitude of a weekend in Vegas; a cleaned up version of its hard partying past. The ad's tagline became a pop-culture phenomenon, but more importantly, by embracing what was unique about Las Vegas, the city was able to re-energize its brand. The results: continued growth in visitors and occupancy from its first year in 2003 to 2007, the year before the recession.

#### **Strategy 3: Set the Table for Redevelopment**

One of the most important actions Sterling Heights can take is make redevelopment as simple and clear as possible. A pro-business and pro-development reputation goes a long way in the commercial real estate business. Over time, companies/employers, real estate investors, and brokers begin to understand that a city is easy to work with, making this city the first phone call. This does not mean throw away all the rules and allow anything to be built – far from it. What it does mean is set the table for development. Make the rules simple and clear, and stick with them. More importantly, do not handle development, incentives, and permits on an ad/hoc basis. While it may make sense at first, over the long run, it takes more time to get a deal closed, and everyone in the real estate business knows that time kills deals.

#### **Strategy 4: Hitting Singles is OK**

Many cities, when faced with economic distress, start to look for the magic bullet solution. The "solution" is generally a massive project of dubious merit and heavy public subsidies. While it is human and American nature to want to swing for the fence, these massive projects often create more problems than they solve. First and foremost, tying up large amounts of capital in one project is risky, as industries change and companies go out of business. The end result is the community is left holding the bag – on the hook for bond payments for a project that is going nowhere fast. Cities, especially small- to mid-sized cities including Sterling Heights, would be wise to steer clear of these massive projects, and instead minimize their short and long-term downside by devoting their public attention to a diverse group of smaller projects. While smaller projects may lack the big headlines up

front, they also lack the big, embarrassing headlines on the back end if they do not work out as planned.

## Hitting Singles is OK

### Case Study: New London, Connecticut

A small manufacturing city on the East Coast, New London was known for two things: making submarines and Pfizer Pharmaceuticals. In an effort to keep Pfizer from leaving town, the City of New London embarked on a massive redevelopment project. The City would acquire a large portion of land, and turn this land over to the company for a new hotel, health club, and stores that were built to Pfizer's specifications. The project was big, expensive, and glamorous, but it had a problem. The lands in question were actually the private homes of many residents, some of whom did not want to sell to the City. After a long and expensive court battle, the City finally won, and was able to take title to the homes, and clear the land for new construction. The City spent \$80,000,000 and created a massive rift in the community. In the end, Pfizer never moved forward with the project. The company also relocated its research facility to Groton, Connecticut, leaving New London for good. For all the rewards that the Pfizer project promised, policy makers failed to realize that risks are just as large as the rewards.

# Placemaking Assessment

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## Introduction

Sterling Heights is defined by, and challenged by, a lack of a cohesive pattern of pedestrian and non-motorized accommodations and an orientation towards ease of vehicle-oriented mobility. This condition poses unique issues that need to be addressed as a part of the master planning process.

The development of the urban design and placemaking framework for the City is developed by integrating three factors:

1. An understanding of current development trends in cities as they relate to concept formation
2. A review and critique of previous design guidelines and master plans for the City
3. An analysis and evaluation of existing conditions

Mixed use areas in walkable cities and pedestrian-oriented areas are experiencing a renaissance unlike anything seen in decades. Largely vacant office buildings are filling up with new businesses and residents, the ground floors are welcoming new shops and restaurants, and the streets and public spaces are returning to life. Walkable areas are finding renewed success.

In metropolitan Detroit, the northern suburbs, while traditionally stable, are also seeing a renewed interest in neglected commercial and residential properties. This provides an opportunity to rethink suburban areas from a placemaking perspective by adding an additional layer of activity to enhance them.

This analysis focuses on how locating pedestrian-oriented nodes within the existing framework of the City can aid in transforming, both in the long and short term, the perception of livability in Sterling Heights. The nodes can become important components of the enhancement and revitalization of commercial and residential zones within the City, and may also become destinations in their own right.

## Analysis and Concept Formation

Sterling Heights connects with adjacent municipalities of varied economic vitality, and also acts as a major residential and industrial enclave. Acknowledgement of this importance, and of the historical drivers that have shaped Sterling Heights until today, will help to plan for the next phase in the evolution of the City. The analysis of the City for the purpose of locating placemaking opportunities focused on three prominent criteria:

1. Overview of the City as a whole
2. The identification of placemaking Opportunities
3. Challenges to placemaking

Specific items that were looked at to determine appropriateness of individual areas included:

- Overall Walkability of the area
- Building and Land Use
- Built Form
- Public Realm
- Vehicular Infrastructure
- Pedestrian Infrastructure
- Ability to Integrate non-motorized facilities
- Access to amenities
- Adjacency to a variety of uses and other nodes
- Linkages/ Connections

## Review of Design Related Documents

### *Streetscape Design Guidelines (2006)*

The purpose of the review of the Streetscape Design Guidelines was to identify, from our current perspective, the applicability of the recommendations contained within the 2006 document.

The Streetscape Design Guidelines developed for the Corridor Improvement Authority focus on the following physical elements with the intention of providing design continuity between public and private development within the city:

- Colored/ stamped concrete
- Lighting and banners
- Brick pillars and fencing
- Shade trees and vegetation

There are 5 key critique/ observations that were identified as a result of the review of the Design Guidelines:

1. The Guidelines do not address long term development incentives

The Guidelines address the enhancement aspect of the existing public realm; however, they do not give clear indication of how implementing the proposals can lead to a higher level of development and, subsequently, a greater sense of place within the City.

2. The Guidelines provide limited aid for increasing walkability

The City's 2005 Master Land Use Plan encourages walkability. The Design Guidelines should address issues of pedestrian connectivity and pedestrian crossings through physical alterations such as designated pathways, curb bulb-outs, etc.

3. Pros and Cons of the consistent aesthetic for street furnishings and treatments

The use of stamped concrete and ornamental trees may be overdone and unnecessary. Current best practices emphasize clean and carefully implemented concrete installations. This, combined with the aesthetic of the street furniture could lead to a sameness among the areas

where the guidelines are applied. It may be more effective to determine the character of a specific location before implementing the Guidelines.

4. How do we designate a district or a gateway without a sign or marker?

Similar to Observation 3, above, the use of banners and landmark signage, while bringing consistency to the image of the city as a whole, may not capitalize on the uniqueness of many of the locations within the City.

5. The facade improvement guidelines are, generally, in order

More detail is needed to explain the desired results. Some examples are provided, but a variety of examples would probably aid in avoiding a “one-size-fits-all” approach to enhancing different areas within the City.

### ***Sterling Heights Master Land Use Plan (2005)***

The 2005 Master Land Use Plan was developed to analyze population trends, characteristics, and projections as well as to analyze the economic viability of commercial, industrial, and office land uses. This, combined with information gathered from citizen input, produced the goals and objectives put forth in the Master Land Use Plan.

The purpose of the existing Master Land Use Plan review was to identify areas where there may need to be adjustments made to reflect the current economic, physical, and demographic conditions within the City. The following are ten major critiques/observations from the review:

1. The stated principles within the 2006 Master Land Use Plan are solid, but need to be updated to reflect current realities (post-2008) and trends.

Current urban design best practices call for more strategic, short term, implementable initiatives. Tactical Urbanism and Lean Urbanism models produce greater short term results.

2. How does the Traditional Neighborhood Diagram (Duany-Platerzyberk,1997) referenced on p.45 of the Master Land Use Plan, translate to an existing suburban retrofit condition?

The existing residential settlement pattern in Sterling Heights does not correspond to the Traditional Neighborhood Development pattern physically. There needs to be a synthesis between the existing suburban residential pattern and the grid and corridor oriented layout of the City as a whole.

3. Sub Area planning needs to be a significant part of enacting the Master Land Use Plan.

The Master Land Use Plan lays out a framework of development principles that are sound. Care must be taken to synthesize these principles into the existing context.

4. Variety of housing types are encouraged in the Master Land Use Plan.

Small square footage homes are encouraged. This ties into current trends to provide affordable housing options to market rate buyers in the post-recession economy. These housing options include multi-family, lofts, small single family, duplexes and mixed use.

5. The Master Land Use Plan on p.150 states "Concentrate commercial development in nodes as opposed to strips along major corridors".

This is a good beginning strategy, but it still separates areas into land use zones. Current placemaking strategies call for a mixture of uses within a concentrated area. The reorientation of development into more concentrated areas will help to create synergy between housing, retail, and commercial uses.

6. The Master Land Use Plan calls for a walkability survey. Has one been implemented?

Today, walkability is seen as a key driver for success in cities, neighborhoods, and districts. Understanding the pedestrian traffic flow throughout the City is a key determinant of the success of any placemaking efforts.

7. The Master Land Use Plan calls for 60-80% detached single family, 10-25% attached single family, and 10-25% apartments.

This should be revised to reflect the current demographic data and to attract varied clientele. Current trends in successful city districts indicate an inclination towards multi-family dwellings among people moving into mixed use areas.

8. P.67: "Transition" land use designation called for in the following locations: a) along major roads, but not intersections; b) where single family needs to be phased out (eg., Mound Rd.); and, c) existing commercial needing redevelopment.

There needs to be clarification as to the intent of this strategy. An important component of a successful Master Land Use Plan is its definitiveness. The closer the Master Land Use Plan comes to delineating the desired outcome, the greater the chance for its success.

9. Potential Intensity Change Areas (PICAs) and Major Redevelopment Opportunities

PICAs are generally in older commercial areas (eg., Van Dyke/ 14 Mile Rd.) where an intensification of uses could significantly reposition the area for future success. This is a sound strategy, but the desired results need to be clearly articulated.

P.71 identifies Major Redevelopment Opportunities. These are typically in areas where there were large-scale developments that provide unique site opportunities. Examples were:

- Showcase Cinemas Site (15 Mile Road and Van Dyke Ave)
- Van Dyke between 16 and 16 1/2 Mile Roads
- Northeast corner of 14 Mile Road and Schoenherr Road

These types of opportunities (PICAs and MROs) provide the platform for the City to encourage transformative examples of what Sterling Heights can look like by applying current placemaking principles.

10. The 2005 Master Land Use Plan encourages the development of new neighborhoods.

This should be revised to encourage higher density neighborhoods. Nuance is a critical component to successful development in the current economic environment. The 2005 Master Land Use Plan also encourages creating a framework for future development in the City that focuses on the development of nodes focused on key intersections as opposed to linear strip commercial development.

## **Placemaking Analysis by Nodal Development**

The development of the urban design and placemaking component of this new Master Plan uses nodal development as a starting point for envisioning places that people will care about and that have the opportunity of attracting new demographics. The initial step in this process is the overall analysis of the City to identify key areas that have the potential of being significant examples of livability.

### ***Node Identification Framework***

The urban design and placemaking framework for the City will have the optimum possibility of being implemented if the criteria for identifying appropriate nodes is clear and concise. Some initial concepts that have been studied for the framework include:

#### *Pedestrian Usage*

Solving the continued problem of creating identifiable, pedestrian pathways, circulation and linkages is crucial to a healthy node. Enhancements to this part of the public realm can be solved in many different ways. The Master Plan would identify and look to uncover and strengthen these pathways.

#### *Sense of Place*

The feel of the node is important to its success. A strong Sense of Place in a node will enhance the ability to promote and market something that is unique to the surrounding communities. More importantly, it creates an atmosphere that encourages people to come to live, work and play.

#### *Building on Existing Conditions*

The single most important asset the City has is its existing infrastructure and buildings. To compete against the surrounding suburban development for housing, shopping and working environments, the City must retain and enhance its uniqueness.

#### *Housing Types*

The dwelling units are consistent with every node. However, there are certain elements that make for vibrant, walkable nodes with varied housing stock. An understanding of housing vernacular, types and methods of placement all contribute to achieving positive solutions. Appropriate residential developments need to be thoughtfully integrated into a solid redevelopment strategy.

### Green Spaces / Public Realm

Good sidewalks, convenient parks and unique gathering places can leave a lasting impression on a visitor to the node. Additionally, these public spaces will create comfort for the temporary or permanent resident of the City.

### Mixed Uses

A City is not considered truly healthy unless it can become a consistently active environment. A city of must have many different uses working in unison to create a true place. Some uses include daytime retail, commercial and office activity. After dark, uses may include nighttime retail, restaurants and entertainment. The residential population provides activity throughout the day, night and during weekends. A thorough understanding of this proper mix of uses is evident in many of the world's great urban areas. A strong urban design implementation plan will identify the means to achieve this mix.

### Mobility

Accessibility to the node is an important consideration to its long-term success. Ingress, egress, non-motorized systems, pedestrian accommodations, and parking concepts should be developed to enhance the pedestrian-oriented urban environment.

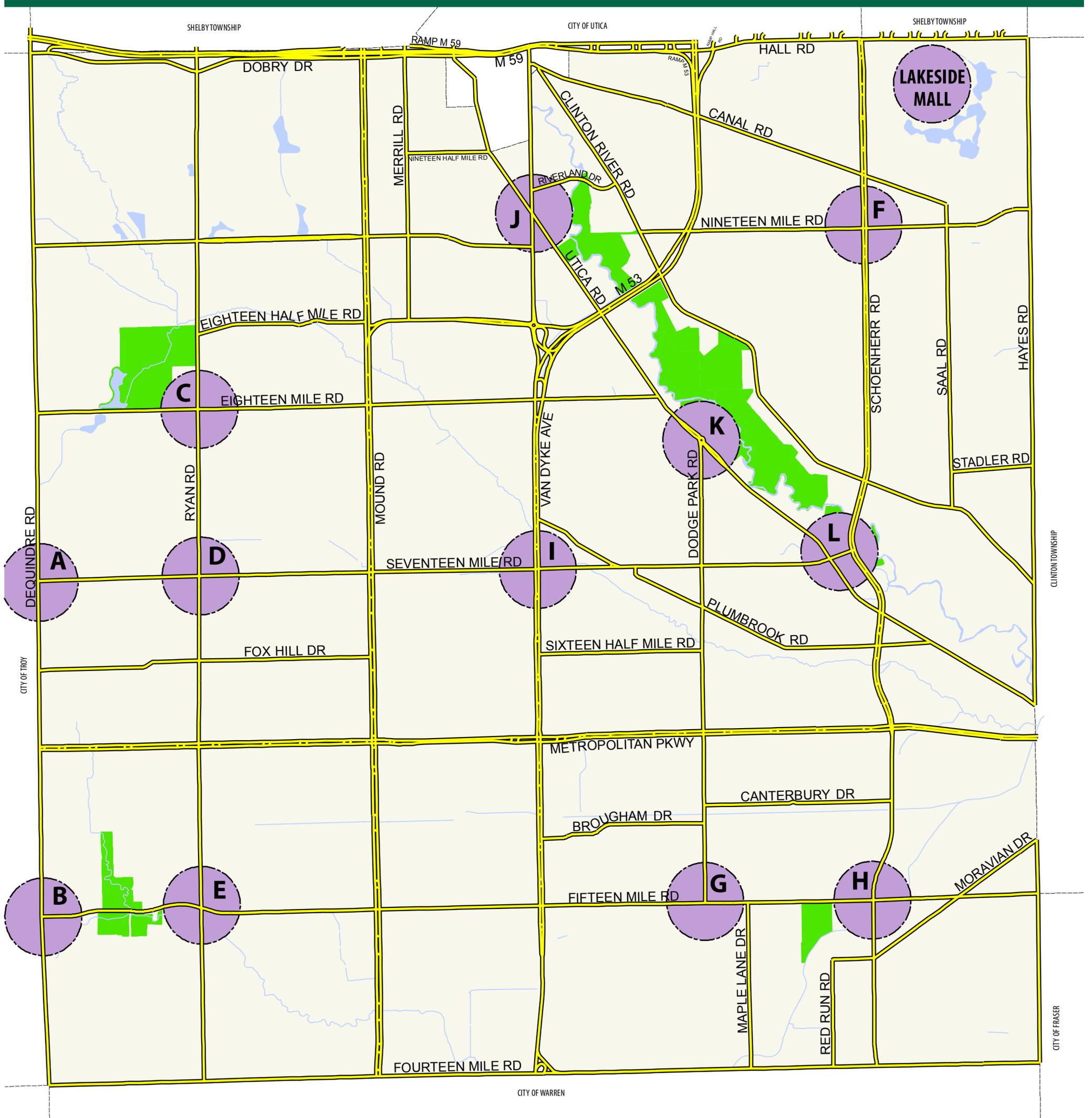
Access to transportation, appropriately designed streets, bike paths, entry and access points and their integration into the city are all part of successful urban conditions. The Project Team has extensively studied and has a thorough understanding of modes of circulation and how they work to enhance a City node.

This contextual overview notes the physical conditions of each node and contextual area. The environmental scan will be presented in clear, graphic form for ease of understanding and interpretation.

### **Node Identification**

Using base maps and field verification, the Project Team has prepared a conceptual framework for testing design concepts and improvements within 12 specifically identified nodes (Nodes A-L), along with the Lakeside Mall area. The locations of these nodes are shown on the **Node Identification Map**.

A visual survey of the conditions of buildings, amenities, and vacant lots within each node was conducted. This survey generally identifies elements that provide the node's character, potential linkages to adjacent community facilities and/or neighborhoods. It focuses on the physical elements that make or inhibit the node's pedestrian experience. This survey gives general impressions of the man-made and natural features, historic, cultural and recreational resources, land use and open space patterns, circulation and parking opportunities and constraints of a given node and leads to the development of the overall framework.



## Placemaking Opportunity Nodes

-  Placemaking Opportunity Nodes
-  Major Road Corridors
-  Major Recreation Facilities

Mixed use areas in walkable cities and pedestrian-oriented areas are experiencing a renaissance unlike anything seen in decades. Largely vacant office buildings are filling up with new businesses and residents, the ground floors are welcoming new shops and restaurants, and the streets and public spaces are returning to life. Walkable areas are finding renewed success.

In metropolitan Detroit, the northern suburbs, while traditionally stable, are also seeing a renewed interest in neglected commercial and residential properties. This provides an opportunity to rethink suburban areas from a place-making perspective by adding an additional layer of activity to enhance them.

This analysis focuses on how locating pedestrian-oriented nodes within the existing infrastructural system of the city can aid in transforming, both in the long and short term, the perception of livability in Sterling Heights. The PLACEMAKING OPPORTUNITY NODES shown on this map can become important components of the enhancement and revitalization of commercial and residential zones within the city, and may also become destinations in their own right.

# Master Land Use Plan 2016-2036



For each area of study or potential nodal point, an observation and analysis was undertaken to determine its ability to accommodate placemaking elements. These potential nodal points within the City were examined considering the following development conditions.

#### Infrastructure

- walkability - sidewalks and pedestrian crossings
- streets- widths, amount of travel lanes
- parking conditions- on-street, surface, public, private, shared
- landscape conditions – grass, trees, vegetation
- complete Streets – auto, pedestrian, non-motorized, transit

#### Building Types

- number of floors - one, two, three
- Materials – brick, stone. Concrete, wood, established vernacular
- connection to the street – setback, proximity, frontage

#### Land Use

- parking lots – size, location, connected or isolated
- mixed-use, commercial, residential, institutional, governmental, cultural, etc.
- natural elements – rivers, lakes, forests, ravines, etc.
- density – amount of residents, workers, daily users within the area throughout the day.

#### Context/Adjacencies

- Surrounding physical forms, uses and conditions
  - residential, commercial, institutional, residential

#### Connections and Linkages

- automobile connections/ driving to other nodal points
- pedestrian paths, passageways
- non-motorized activities – link to adjacent communities and county paths
- proximity, distance to nodes and Places

### ***Criteria for Judging the Capability of a Node to Support Placemaking***

In order to support placemaking enhancements, a nodal development area should have at least three of these qualities:

1. Proximity to community/government services
2. Proximity to public amenities
3. Proximity to transportation networks including multi-use trails and/or mass transit
4. Sufficient surrounding residential population or commercial facilities
5. Available physical space to accommodate catalytic projects
6. Ability to have both sides of a street engaged in creating "place"
7. Ability accommodate various modes of transportation including autos, transit, bicyclers and pedestrians
8. Ability to become a mixed-use zone within a walkable pedestrian shed (approximately 1/4 mile in each direction)

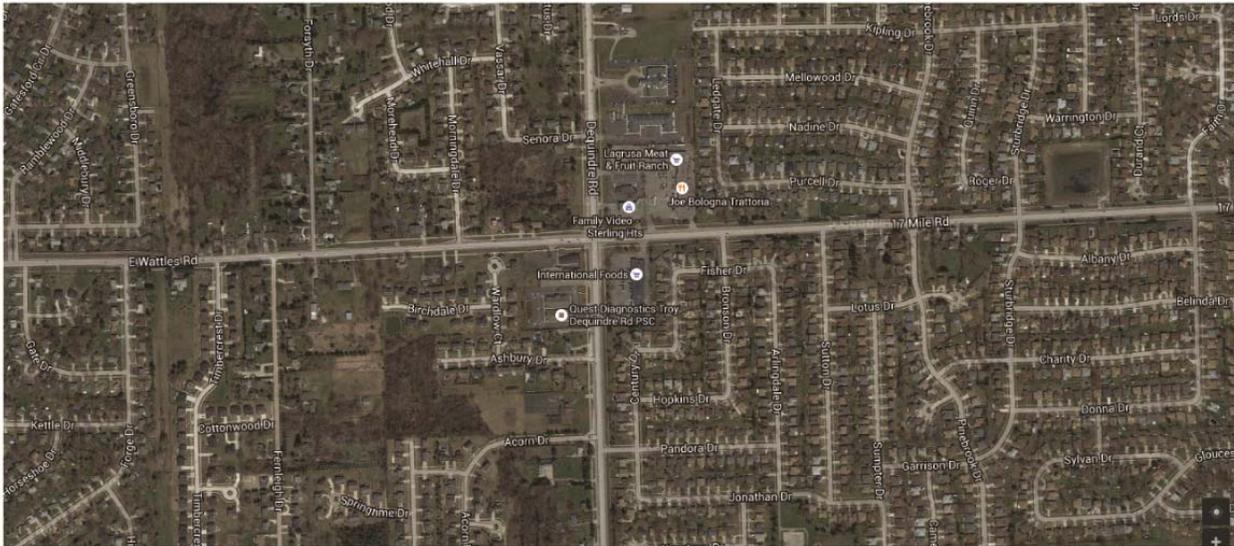
### **General Node Observations**

The following are general observations that are fundamentally applicable to most of the defined study nodes:

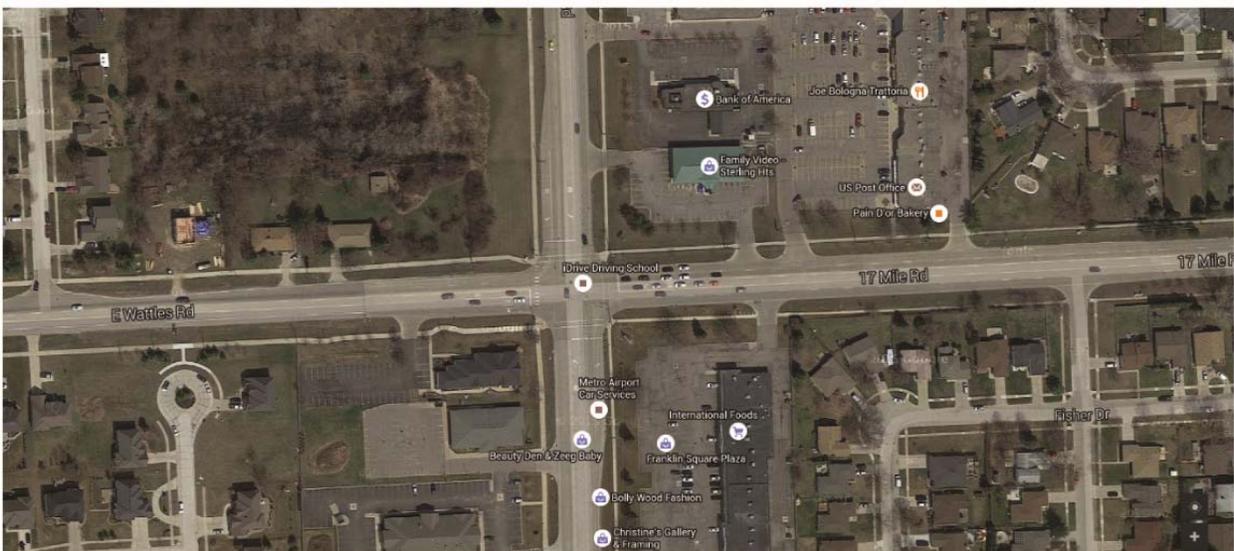
1. Buildings are set back too far from the sidewalk and street and inconsistently aligned.
2. Sidewalks exist in most areas but are rarely connected to the entry areas of commercial and institutional buildings.
3. Parking lots are typically excessive in size and non-pedestrian oriented in their design and layout.
4. Most non-residential development areas consist of singular use, one-story structures. There is minimal density and scale.
5. Existing structures do not work together as a collective, cohesive district. There is a lack of collaboration and connection regarding the use of materials, size, aesthetics, signage, vehicular and pedestrian accommodations.
6. Most potential nodes have some level of vegetation, trees, grass, landscaping, etc. In many areas there is a significant amount of greenspace. However, there is a lack of the collective vegetation working together as a unit. There is potential to collaborate on these greenspaces and formulate a comprehensive asset for the focal point area.
7. Most potential nodes, which include commercial and business uses, are adjacent to a significant amount of single family and multi-unit residential as well as natural assets. However, their connections and linkage, from a pedestrian and vehicular perspective are largely incidental and unintentional.

Our analysis of each node is presented in the following pages.

## Node Analyses: Node A (17 Mile @ Dequindre)



Site Area - 17 Mile and Dequindre



Site Area - 17 Mile and Dequindre

### Overview:

The area is centered around by commercial and retail development.

The existing strip retail shopping center is in need of updating/ redevelopment to become more efficient.

The single-access, single-use commercial businesses are not the highest and best use scenarios for this area.

**Opportunities**

The existing neighborhood commercial amenities formulate a base of a mixed-use district that can be further developed. The location provides solid access from the adjacent areas. Within a short, comfortable walk there is an adequate supply of single-family residential units to the east that can support efforts to intensify development.

**Challenges**

The Right Of Way at this location is 120'. This creates long pedestrian crossings in the east/west and north/ south directions of the area. The commercial buildings at the intersection are set back from the sidewalk and pedestrian area. This makes it more difficult for the land uses on all four corners to work as a collective district.



Site Area



Site Area

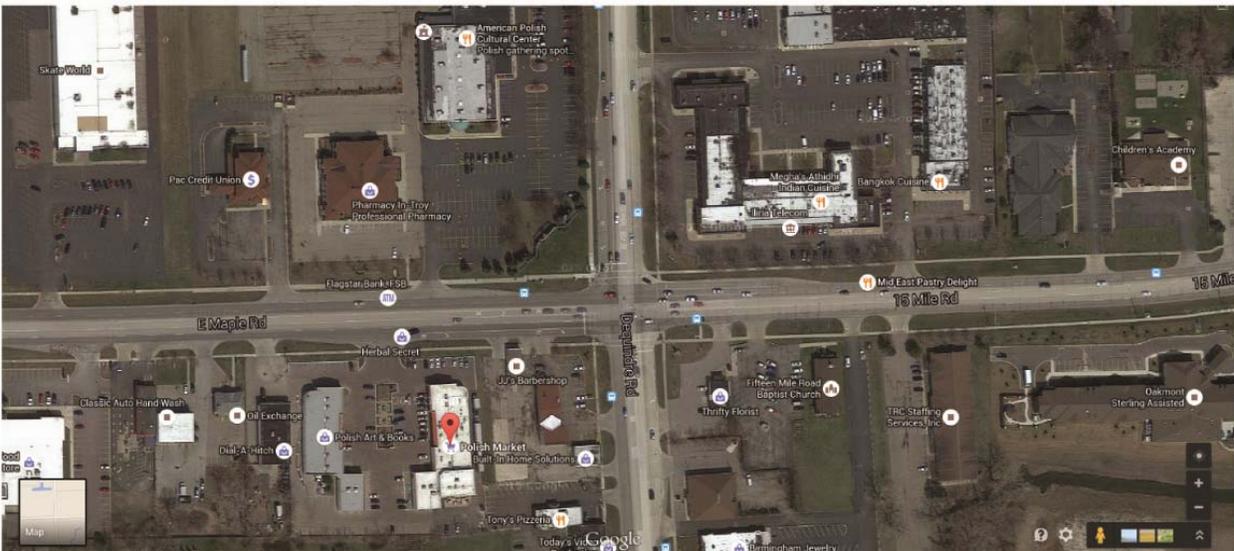


Site Area

## Node Analyses: Node B (15 Mile @ Dequindre)



Site Area - 15 Mile and Dequindre



Site Area - 15 Mile and Dequindre

### Overview:

The area contains commercial, cultural, and retail facilities. The Polish Cultural Center and the Polish Market stand out as significant attractive amenities in the area.

**Opportunities**

Within walking distance of the node there is significant residential development that could support a placemaking vision centered around the two cultural amenities. The area’s distinctive ethnic/cultural elements can be of value in regards to further establishing this as a unique Place.

**Challenges**

One of the evident challenges of the area is the fact that the majority of the existing built form is relatively recently constructed. From a timing and priority standpoint, this could be a reason for reluctance to transform this zone.



Site Area



Site Area

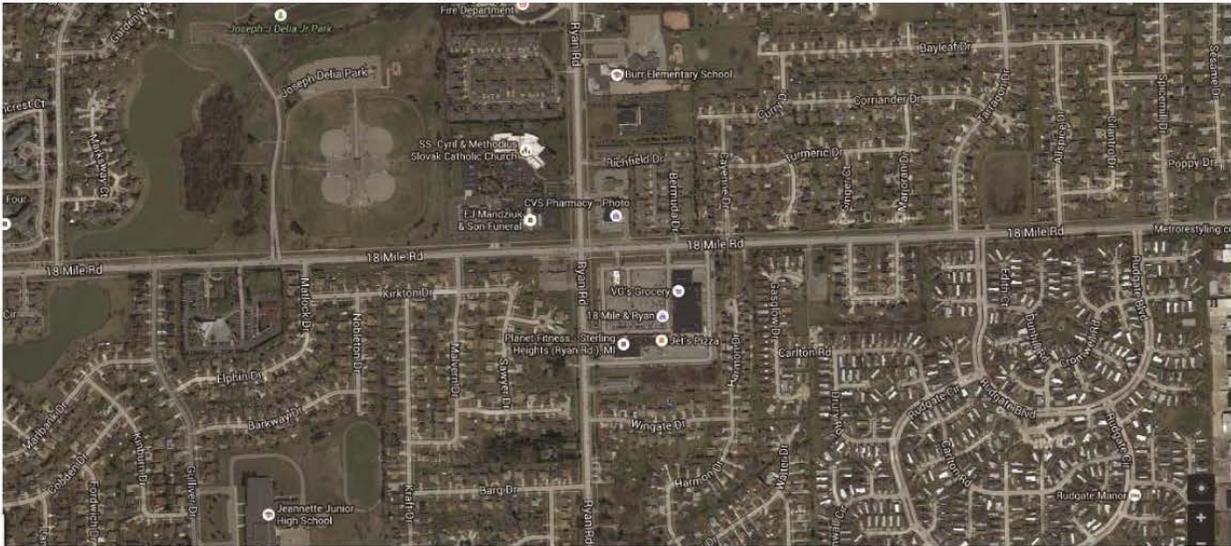


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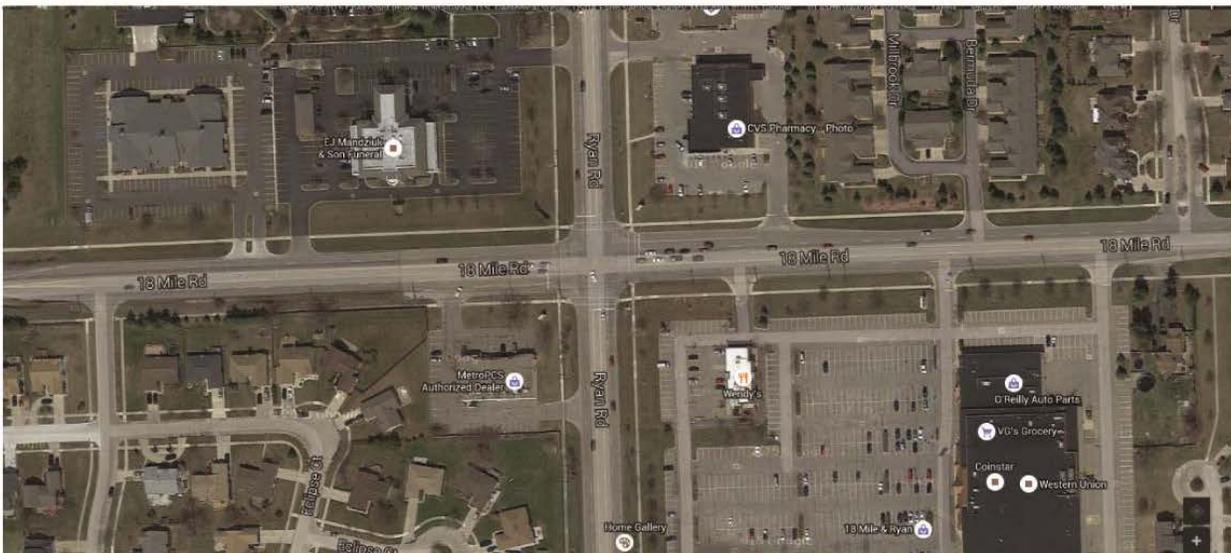


Site Area

## Node Analyses: Node C (18 Mile @ Ryan)



Site Area - 18 Mile and Ryan



Site Area - 18 Mile and Ryan

### Overview:

The area is dominated by a commercial and retail development.

There exists small and large strip retail shopping developments and freestanding commercial businesses.

These are newer developments, but they are still planned in an inefficient manner in regards to land use.

Significant parking areas, especially for the southwest corner strip mall, likely more than currently required.

**Opportunities**

The location is easily accessible from adjacent residential areas based on an analysis of walkability. There is a sizable amount of single-family residential units in the surrounding area that could support efforts to intensify development.

The possible excessive parking around the intersection may allow for new development sites for infill projects that would add to the potential mixed-use district.

**Challenges**

The Right of Way at this location is 120'. This creates long pedestrian crossings in the east/west and north/ south directions. Large parking lots and excessive building set-backs decrease the walkability of the overall area.



Site Area



Site Area

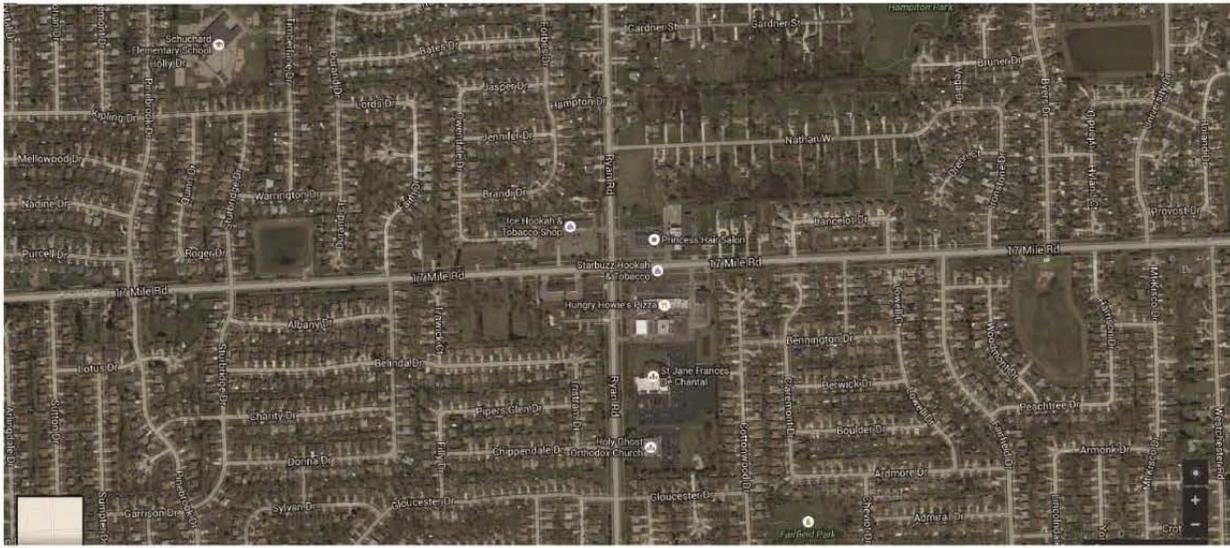


Site Area



Site Area

## Node Analyses: Node D (17 Mile @ Ryan)



Site Area - 17 Mile and Ryan



Site Area - 17 Mile and Ryan

### Overview:

There is a considerable amount of commercial development at all four of the corners of the intersection. Additionally, there is a large amount of underutilized and under-maintained commercial properties within this zone. Existing sidewalks at the intersection connect the commercial uses with a substantial amount of single-family housing.

**Opportunities**

Within waling distance (1/4 mile radius from the intersection) there is a sizable amount of single-family residential uses. The commercial development, if reinvigorated, could generate increased amounts of activity. The parking area also provides opportunities for increased density and further mixed-use development.

Wide and multi-lane streets create a possibility for creative traffic calming and a pedestrian refuge. These measures are important to ease the pedestrian crossing effort in the all directions.

**Challenges**

The Right of Way at this location is 120' and the set-backs for the commercial buildings are significant. This distance from the sidewalk to the buildings and the lack of pedestrian connections inhibates walkability.



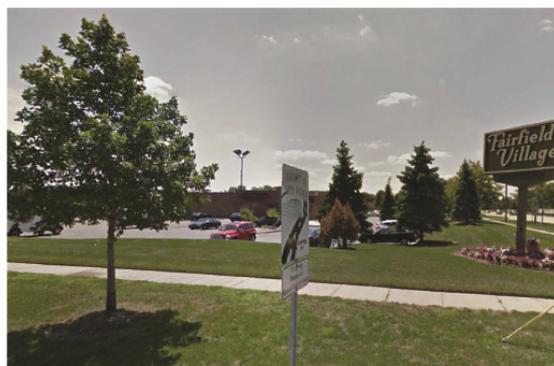
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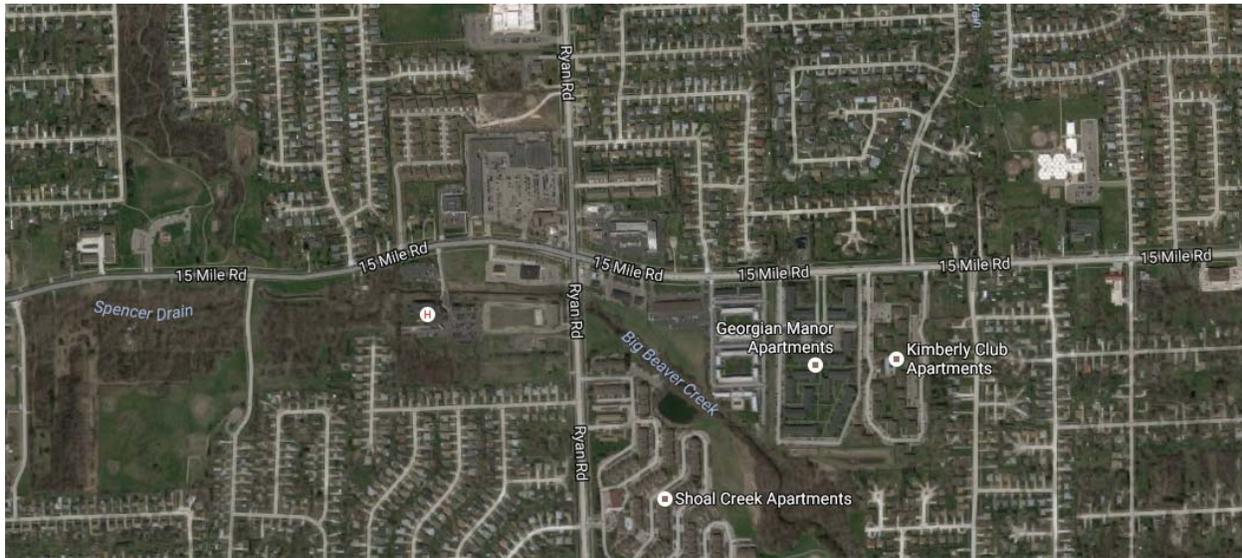


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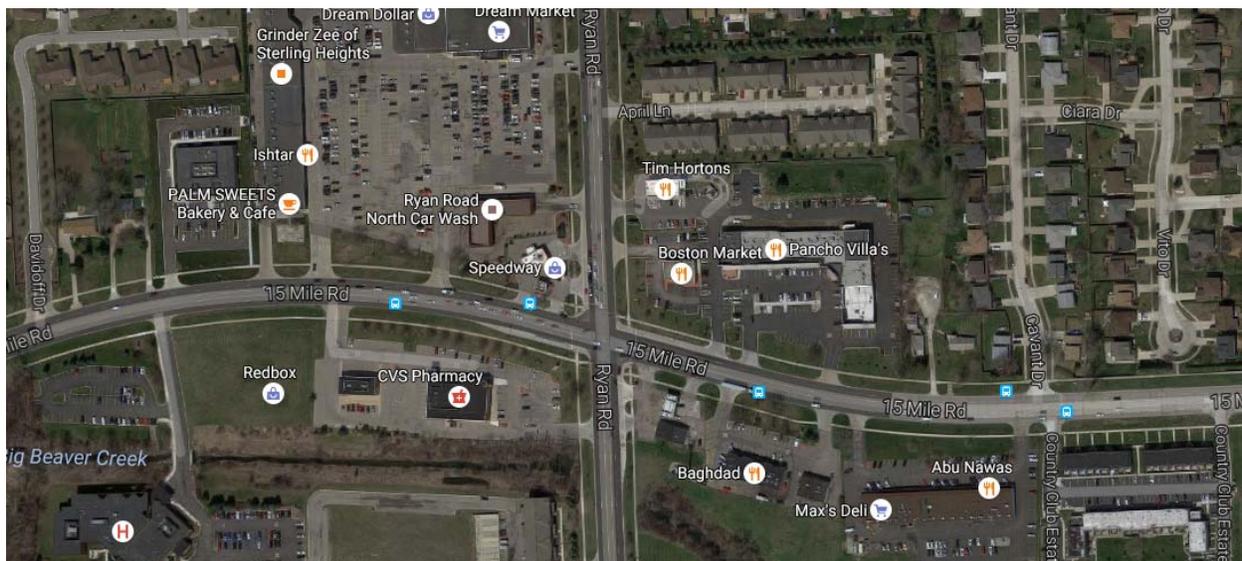


Site Area

## Node Analyses: Node E (15 Mile @ Ryan)



Site Area – 15 Mile and Ryan



Site Area – 15 Mile and Ryan

### Overview:

This node features established commercial development at each corner, consisting of a combination of strip commercial shopping centers and stand-alone developments. However, beyond the immediate corner properties, several opportunities do exist for new development on vacant sites. The commercial node is bordered on all sides by established residential development, generally transitioning from adjacent higher density multiple-family development to lower density single-family development.

**Opportunities**

Within walking distance (1/4 mile radius from the intersection), there is a sizeable amount of multiple-family development and single-family neighborhoods. Existing commercial development, if reinvigorated, could generate increased amount of activity. The shopping center at the northwest corner of this node features a sizeable parking lot which could accommodate new commercial development pads along the street frontages.

Wide and multi-lane streets create a possibility for creative traffic calming and a pedestrian refuge. These measures are important to ease the pedestrian crossing effort in all directions.

**Challenges**

The right of way width for both Ryan Road and 15 Mile Road at this node is considerable (120') and the setbacks for the commercial buildings are significant. This distance from the sidewalk to the buildings and the lack of pedestrian connections inhibits walkability.



Site Area



Site Area

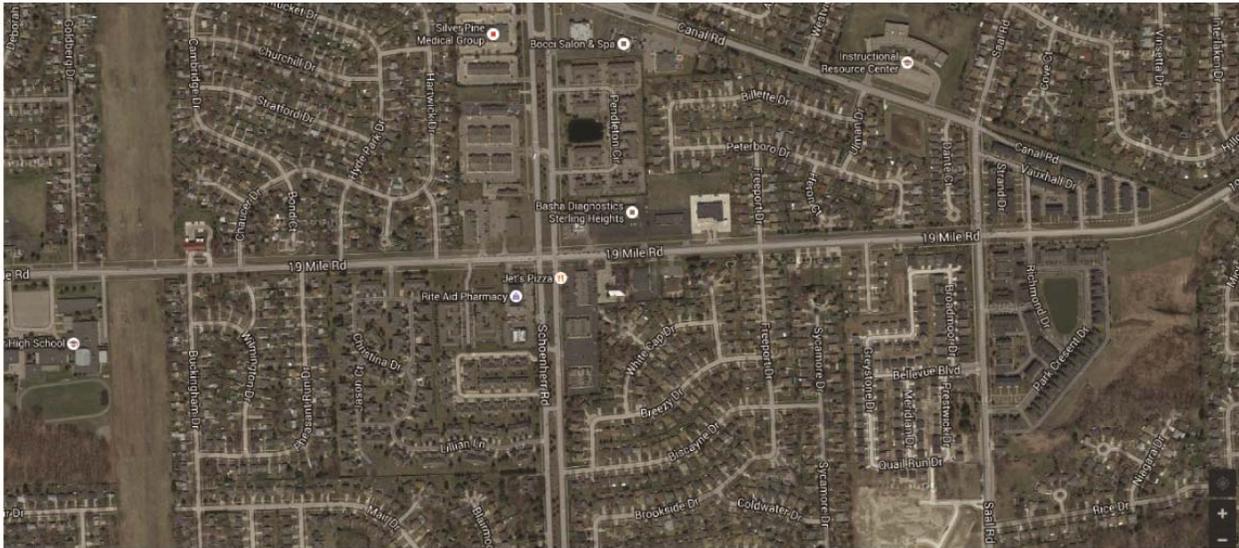


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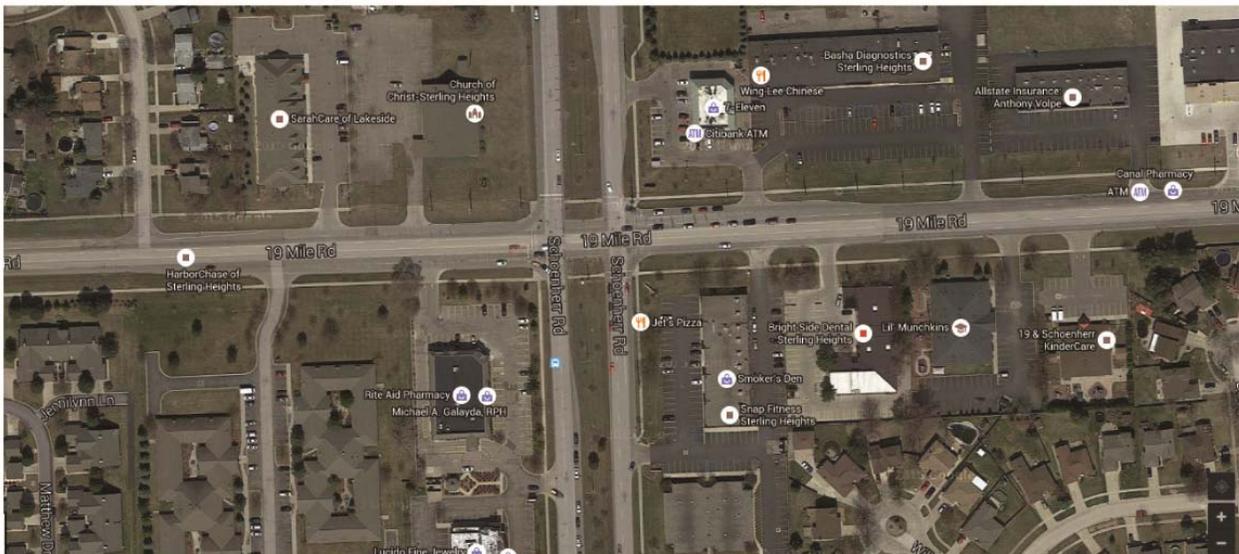


Site Area

## Node Analyses: Node F (19 Mile @ Schoenherr)



Site Area - 19 and Schoenherr



Site Area - 19 and Schoenherr

### Overview:

The area contains residential, commercial, and retail facilities. The area has close proximity to Lakeside Mall as well as the M-59 corridor.

**Opportunities**

The location provides good access based on an analysis of walkability. Within the typical pedestrian shed (1/4 mile radius from the intersection) there is an adequate amount of residential development that could support a unique core of activity. Its proximity to Lakeside Mall and the retail along M-59 could allow it to attract newer commercial and office tenants.

**Challenges**

An important consideration is the possible reluctance to rethink a relatively active intersection. The emphasis, currently, is on auto-oriented access. In order to be truly successful, the area must be re-envisioned to accommodate pedestrian and non-motorized access.



Site Area



Site Area



Site Area

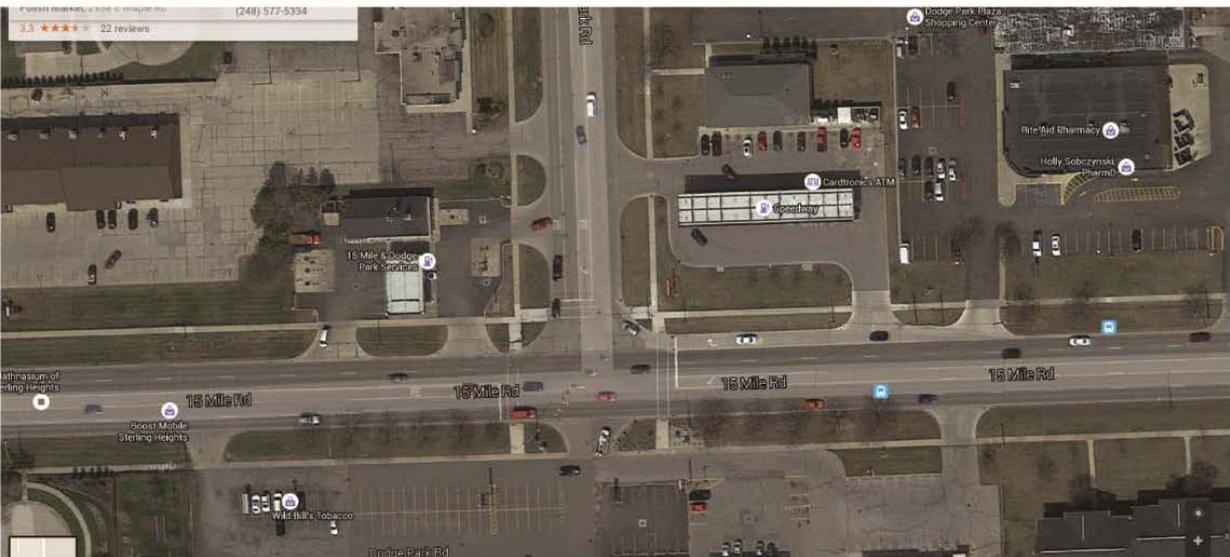


Site Area

## Node Analyses: Node G (15 Mile @ Dodge Park)



Site Area - 15 Mile and Dodge Park



Site Area - 15 Mile and Dodge Park

### Overview:

The area has a unique collection of structures that extend northward from the intersection. There are significant amounts of commercial structures within the zone. The unique three-way intersection has less traffic than the typical intersections within the city.

**Opportunities.**

The location provides fair access based on an analysis of walkability. Within the typical pedestrian shed (1/4 mile radius from the intersection) there is a sufficient amount of single-family residential development that can benefit from a more walkable core at this node.

There are buildings along Dodge Park Rd., north of the intersection, that address the street with outdoor seating and pedestrian connections to the existing sidewalks. This condition could provide a successful precedent and aid in enhancing this unique node. Small-scale, strategic moves are critical in this type of area to capitalize on its potential.

**Challenges**

The major challenge in this area may be a lack of priority to promote quick, small-scale improvements that set the stage for a complete overhaul of the environment because, currently, it functions well.



Site Area



Site Area

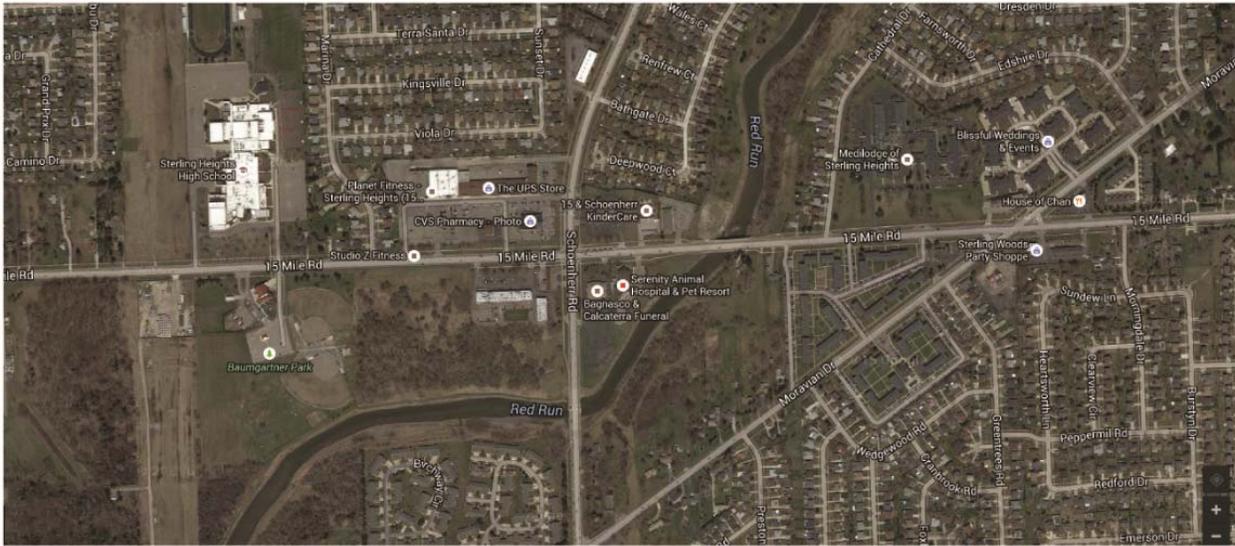


Site Area



Site Area

## Node Analyses: Node H (15 Mile @ Schoenherr)



Site Area - 15 Mile and Schoenherr



Site Area - 15 Mile and Schoenherr

### Overview:

The area has predominantly commercial and retail facilities. It is adjacent to the Red Run Creek

**Opportunities**

Within the typical pedestrian shed (1/4 mile radius from the intersection) there is a large amount of open and underutilized space that can be repositioned for future development. There are ample opportunities to create mixed use developments that would change the character of this area.

The adjacency to Red Run Creek provides the opportunity for a unique recreational asset if this area is intensified. This public amenity could become the focal point of this reenvisioned node.

**Challenges**

There is a small amount of residential in the surrounding area. This location has poor access from the adjacent resident residential area based on an analysis of walkability and access criteria. Large scale infrastructural elements such as the Red Run Creek and Sterling Heights High School create a barrier to adjacent residential to the west and south. This creates longer pedestrian travel distances to and from the node.



Site Area



Site Area



Site Area

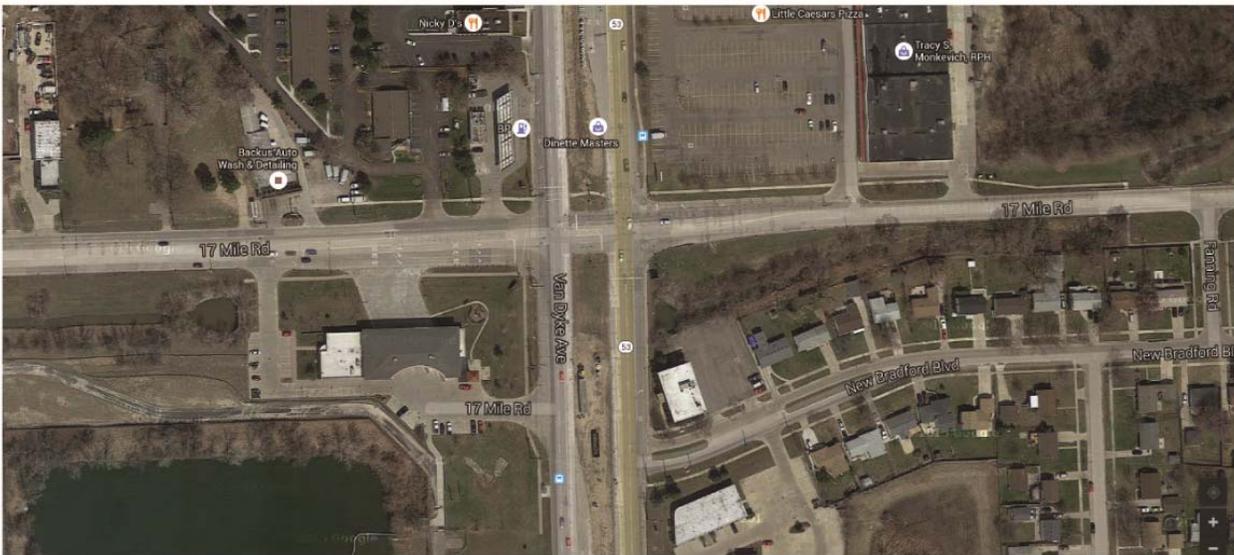


Site Area

## Node Analyses: Node I (17 Mile @ Van Dyke)



Site Area - 17 Mile and Van Dyke



Site Area - 17 Mile and Van Dyke

### Overview:

The area is dominated by a mixture of separated uses. There exists strip retail shopping, freestanding commercial businesses, office development, community facilities, industrial facilities, and access to an adjacent golf course.

**Opportunities**

The location is largely pedestrian-accessible based on an analysis of walkability. Within the typical pedestrian shed (1/4 mile radius from the intersection) there is a sizable amount of residential that could support the development of this node.

The node also contains a variety of uses that could make its transition to a mixed-use district a logical outcome of enhancement efforts.

**Challenges**

Each of the uses in the area would need to be significantly upgraded. This presents issues regarding the timing and priorities if this area is slated for redevelopment.



Site Area



Site Area

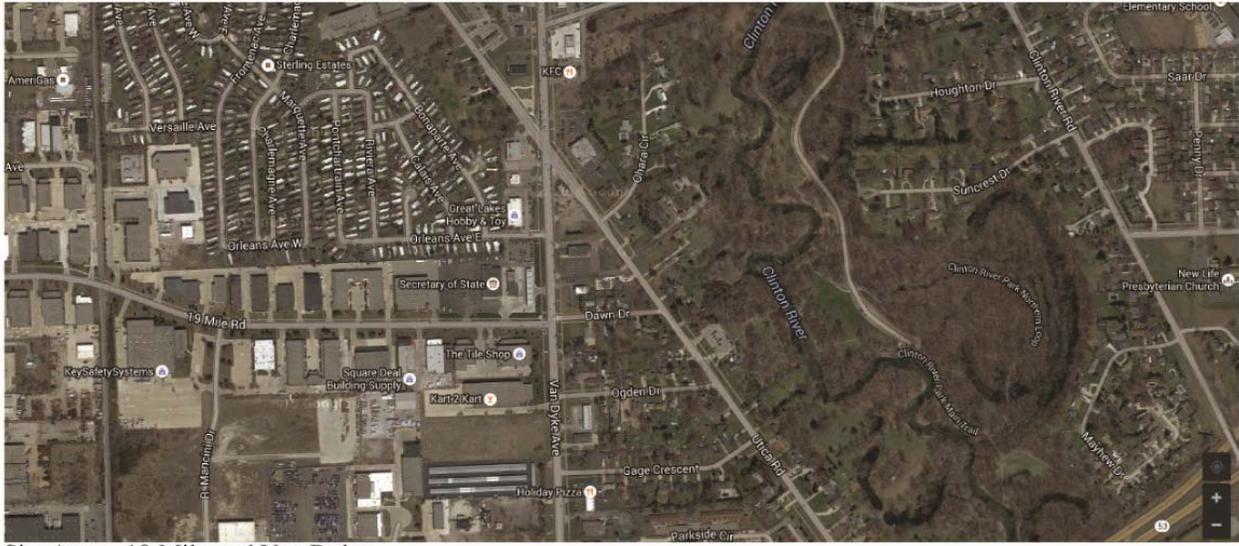


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## Node Analyses: Node J (19 Mile/Utica/Van Dyke)



Site Area - 19 Mile and Van Dyke



Site Area - 19 Mile and Van Dyke

### Overview:

The area is a primary traffic intersection with Van Dyke Rd, being one of the more heavily traveled roads. There is also a high amount of underutilized commercial property within this zone.

**Opportunities**

The location provides adequate access from adjacent areas based on an analysis of walkability. Within the typical pedestrian shed (1/4 mile radius from the intersection) there is a limited amount of single-family residential use nearby, however, specifically from the west. Commercial and industrial development is adjacent making this a higher level of mixed land use area than most. Therefore, a refocused district could be successful because of its disctintive place within the city.

The Clinton River and natural features are in close proximity.

**Challenges**

The significal amount of north/ south traffic at this intersection may make it difficult to create a pedestrian-focused environment.



Site Area



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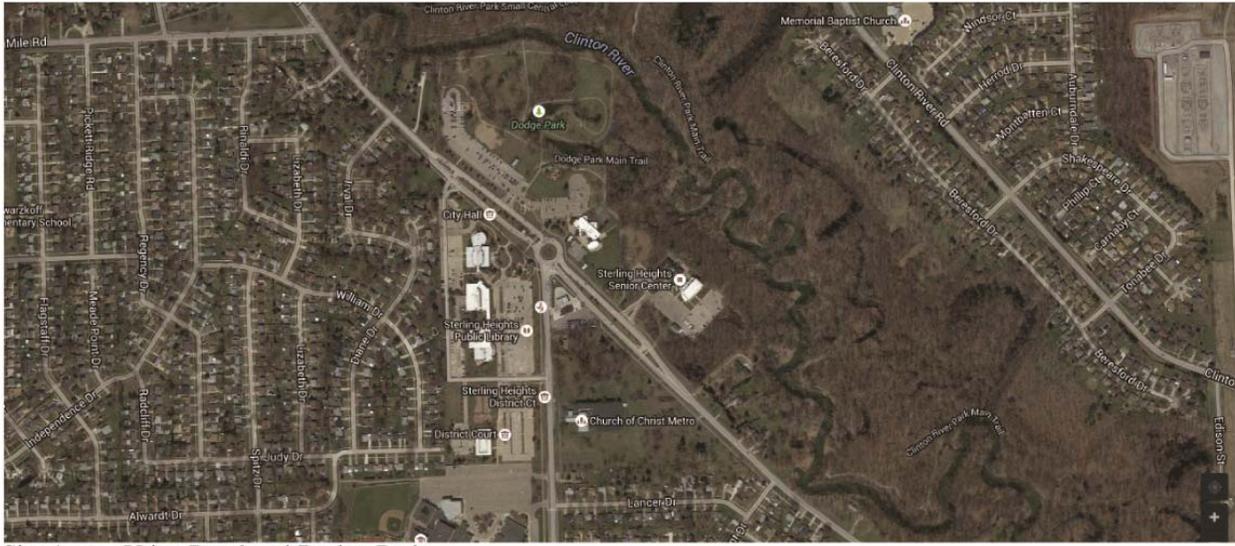


Site Area



Site Area

## Node Analyses: Node K (Utica @ Dodge Park)



Site Area - Utica Road and Dodge Park



Site Area - Utica Road and Dodge Park

### Overview:

This is the Civic Center area and its main focus is the Municipal center and the courts.

**Opportunities**

The location provides strong access based on an analysis of walkability to and from the area. Direct access to Clinton River system from this location is an excellent asset and gives it unique character. There is an ample amount of land that could be dedicated towards providing infill opportunities for development that will add a mix of uses to the area. Along with the municipal uses, these areas could provide for unique housing/ mixed use opportunities, creating a true “city center”.

**Challenges**

Land assembly may be an issue if there are other significant landowners besides the city of Sterling Heights. An additional challenge may be the need to incorporate easier pedestrian crossing around the traffic circle. Currently, this roundabout is geared towards traffic flow only. If the area is to become intensified, more attention should be placed on pedestrian accommodations.



Site Area



Site Area

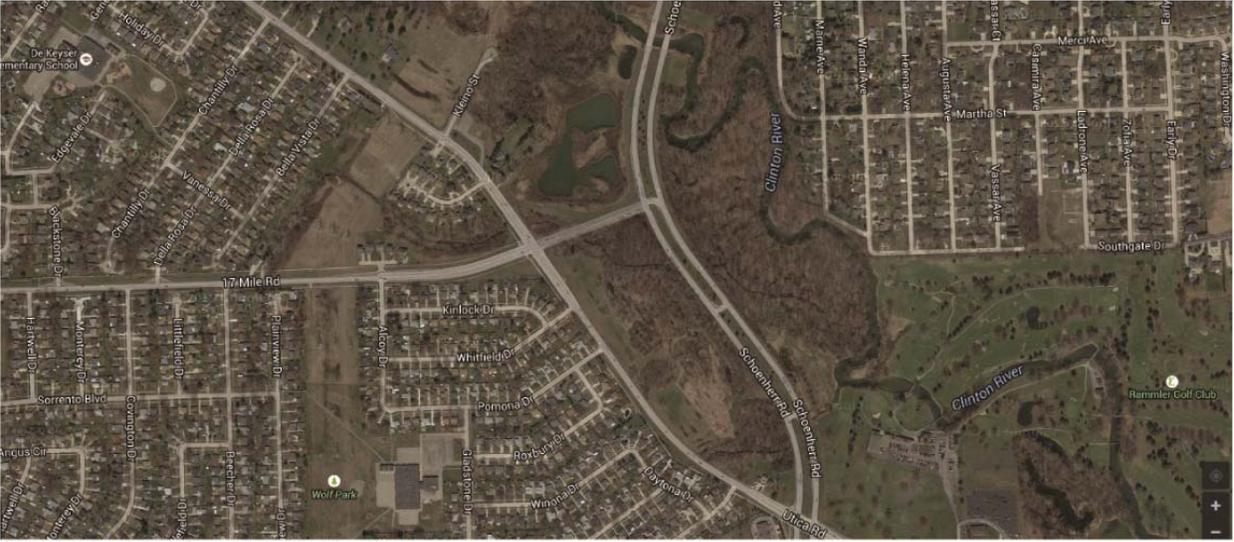


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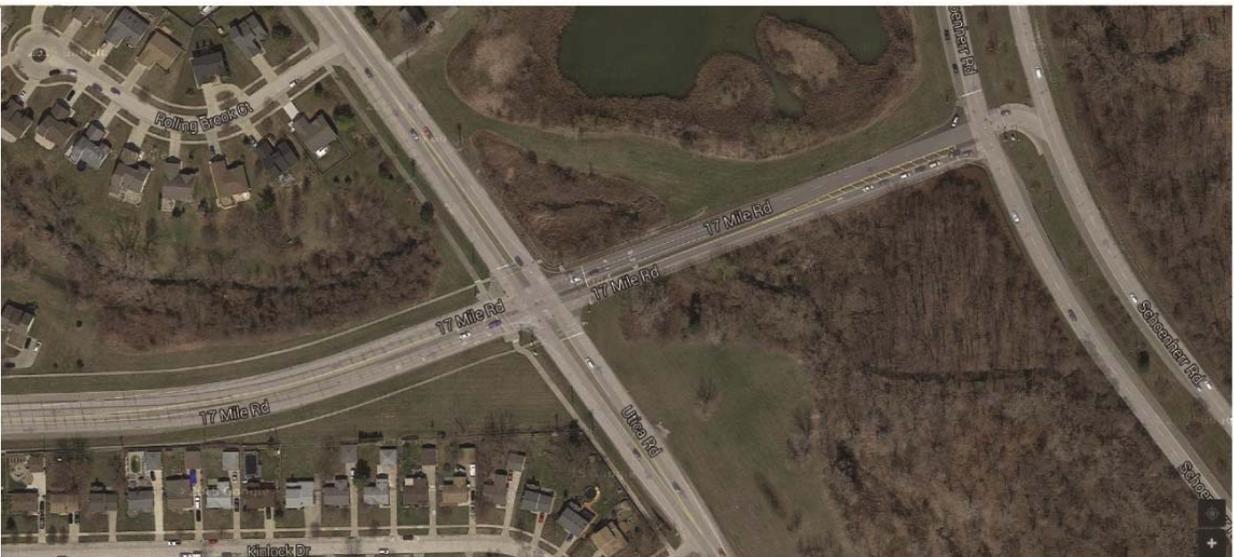


Site Area

## Node Analyses: Node L (17 Mile @ Utica)



Site Area - 17 Mile and Utica Road



Site Area - 17 Mile and Utica Road

### Overview:

The area's principal characteristics are defined by The Clinton River system, Utica Road, and large amounts of open space.

**Opportunities**

The location provides access to the natural elements based on an analysis of walkability. There is a limited amount of residential development to the west and east that is connected to a potentially active node. The Clinton River Trail is a significant asset that currently is disconnected from the adjacent residential areas. A potential connection would greatly enhance the quality of this node.

**Challenges**

A consideration is the possible reluctance to reduce the amount of natural or introduce any type of built form into open/ green space. The current emphasis is on auto-oriented access, less pedestrian orientation. Potential new models and best practices would need to emphasize sensitive, low scale mixed-use development.



Site Area



Site Area



Site Area



Site Area

# Analysis of City Improvement Plans and Funding Programs

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## Corridor Improvement Authority

On August 15, 2006 the City Council adopted an ordinance establishing a Corridor Improvement Authority (CIA) and created a Board for the District (“District”). The District is located in the north central portion of Sterling Heights and includes properties bordering Van Dyke Road between 18 ½ Mile Road to the north City limit and along Utica Road between Van Dyke Road and Triangle Drive.

Among the primary goals of the CIA for the District are:

- Enhancement of public spaces within the District;
- Delineation of the District through a consistent theme/style along District right of way;
- Provision of a unified building style to be implemented through development and re-development of properties within the District; and,
- Economic growth and increased property values.

The Development Plan outlines the improvements proposed within the District and the Tax Increment Finance Plan identifies the funding mechanism to be utilized to finance the proposed improvements. Streetscape Design Guidelines have been prepared for the District. The guidelines include select specifications for paving, decorative lighting, site furnishings and landscaping. These amenities are intended to be constructed within the Van Dyke Road and Utica Road right of way as well as on private property as part of future development and redevelopment within the District.

The amenities planned for the District include:

- Colored/stamped concrete;
- Decorative lighting with banners;
- Brick pillars and fencing; and,
- Landscaping.

The Development Plan also includes potential façade improvements with selected styles and material specifications, access management improvements, property acquisition, floodplain/wetland mitigation, park space improvements, general infrastructure improvements and a business recruitment and retention program.

The Tax Increment Financing Plan (TIF Plan) has been prepared utilizing a base year (2006) taxable value for the District of \$28,182,500. Property value growth is calculated based on an annual inflationary growth and new investment in the District. Over the twenty-year development period, the estimated incremental tax revenues generated within the District is \$5,506,721.

It is the intent of the City and the CIA to finance the proposed projects from incremental tax revenues generated and captured from within the District. At this time, there are no plans for a District-wide special assessment. The CIA will be pursuing grants to help cover a portion of the streetscape project. Development Plan

## Consolidated Plan

Sterling Heights is a participating member of the Macomb HOME Consortium and participates in the Consortiums Consolidated Planning Process. The Consolidated Plan identifies the five-year

programmatic goals, and activities for the Home Investment Partnership Program (HOME) the Community Development Block Grant (CDBG), and the Emergency Solutions Grant (ESG) for Macomb County HOME Consortium. The Urban County of Macomb is comprised of 21 local units of government. The Macomb HOME Consortium, comprised of the Urban County of Macomb, the Charter Township of Clinton, and the Cities of Roseville and Sterling Heights has prepared this Consolidated Plan (Plan), in order to qualify for CDBG, HOME, and other formula program funding administered by the U.S. Department of Housing & Urban Development (HUD). The Consolidated Plan is effective from July 1, 2014 through June 30, 2019.

In sum, the Macomb HOME Consortium has undertaken housing and community development programs for decades. It has repaired homes, promoted transitional housing, helped developmentally-disabled adults find adequate housing and achieve independence, constructed, improved and or expanded public facilities including parks and senior centers, constructed or improved streets, sidewalks and water and sewer facilities, and provided human services to address LMI needs. The 2014-2019 plan will continue, expand, and reinforce these accomplishments. The Annual Action Plan outlines the specific annual Community Development Block Grant (CDBG) spending that will be allocated to each project and how each meets the objectives described in the Consolidated Plan.

Sterling Heights embraces the objectives identified in the 2014 to 2019 Macomb HOME Consortium Consolidated Plan. The Consortium and its individual members expect to address each of these objectives during the life of this Plan.

### **Objectives:**

#### Improve Public Facilities and Infrastructure

Community and stakeholder feedback indicate a need for public works and improvements throughout the County. The public demands that facilities and infrastructure be maintained and installed as appropriate to meet existing and increased needs. This Plan will focus on maintaining and improving existing (and creating new) public facilities and improvements that primarily serve LMI people, or which are located in blighted neighborhoods.

#### Make Available Appropriate Housing

The maintenance and preservation of housing for all residents but particularly affordable housing for LMI owners and renters is a high priority of this Plan. Newly homeless, and at-risk, families require assistance to maintain their dignity and preserve what has become a tenuous grip in the economic mainstream. Families face economic uncertainty due to stagnant or declining incomes resulting from un- or under-employment, plus losses of health and other benefits. These families, too, are at risk.

#### Address the Needs of the Homeless and At-Risk Families

Homelessness is increasing in Macomb County. The January 2013 Point-in-Time survey conducted by the Macomb Homeless Coalition counted 988 homeless individuals and family members were found in Macomb County shelters, vehicles, hotels, and on the streets. This figure excludes those who are sporadically homeless, temporarily housed, illegally squatting in foreclosed properties, or who have special needs. The result is an undercount, and possibly inadequate support systems.

#### Provide and Expand Human Services

Community and stakeholder feedback also indicate a strong need for improved human services, particularly as they relate to individuals and families made homeless, or who risk homelessness due to

job loss or underemployment. Those affected spend inordinate amounts of time seeking essential services only to find them not offered or inaccessible. Municipal resources are overextended, despite the compelling need to serve these people.

#### Foster Economic Development

Economic development, job creation, and business attraction and retention continue to be a priority for Macomb County residents. Public Engagement conducted for this plan noted the need work to eliminate blight in low-income areas and the retail/commercial clusters that serve them. Macomb County is still recovering from a period of severe recession. As a result, many families are still unemployed or face unemployment.

#### Address Post-Foreclosure Housing Crisis Needs

The 2009 plan noted 11,000 foreclosures in Macomb County between 2005 and 2008.

#### Expand Comprehensive Planning, Management and Capacity

We need be able to effectively anticipate and address the rapidly changing economic, social and demographic environment in the County.

### **Strategic Plan and Implementation**

Sterling Heights is expected to receive an average of approximately \$692,850 in federal funding each year, over the next five years, through Community Development Block Grant. These federal funds will be used to address the following priority needs identified by the HOME Consortium:

- Housing Rehabilitation/New Construction
- Rental Housing
- Down-payment Assistance
- Accessibility/Barrier Free Improvements
- Energy Efficiency Improvements
- Property Acquisition/Resale/Rehab
- Code Enforcement
- Parks, Recreation and Community Facilities
- Street, Sidewalk, Water/Sewer Improvements
- Demolition, Clearance and Remediation
- Local and Regional Planning
- Transportation Services
- Senior and Youth Facilities and Services
- Permanent Supportive Housing
- Emergency Shelters/Transitional Housing
- Support Services
- Fair Housing
- Food Bank Services
- Economic Development
- Historic Rehabilitation and Preservation

Addressing these needs will assist the Sterling Heights in achieving the overall housing and community development goals of:

1. Improve Public Facilities and Infrastructure
2. Make Available Appropriate Housing

3. Address the Needs of Homeless & At-Risk Families
4. Provide and Expand Human Services
5. Address Post-Foreclosure Housing Crisis Needs
6. Expand Comprehensive Planning, Management and Capacity

### **Geographic Areas of Priority**

Sterling Heights has not officially established a Geographic Priority Areas in the 2014 to 2019 planning cycle. The City identified the following potential Geographic Priority Areas to be evaluated in future plans: Potential geographic priority areas in Sterling Heights include the Low-Mod Census tracts.

### **High Priority Projects**

1. Housing Rehabilitation. Provide assistance to low-mod homeowners to complete necessary repairs.
2. Rental Housing. Provide adequate rental housing for low income persons and families.
3. Property Acquisition/Rehab/Resale. Acquire, rehabilitate, and resell properties to support low income residents. Senior and Youth Facilities and Services. Continue and improve programs and facilities that serve seniors and eligible youth.
4. Permanent Supportive Housing. Support Homeless prevention and rapid re-housing.
5. Emergency Shelters and Transitional Housing. Provide housing and shelter opportunity to populations in need.
6. Supportive Services. Provide services and access to public resources for low income residents.

### **Low Priority Projects**

1. Down Payment Assistance. Provide down payment assistance to income eligible homebuyers.
2. Accessibility/Barrier Free Improvements. Improve accessibility for low-income residents.
3. Energy Efficiency Improvements. Create opportunities for energy efficiency improvements that improve low income resident housing.
4. Code Enforcement. Improve and continue code enforcement activities in low income neighborhoods.
5. Parks, Recreation, and Community Facilities. Develop public facilities to improve quality of life for low income residents and in low income neighborhoods.
6. Streets, Sidewalk, Water/Sewer Improvements. Address infrastructure needs for low income residents and in low income neighborhoods.
7. Demolition, Clearance, Remediation. Demo blighted properties.
8. Local and Regional Planning. Improve planning for regional coordination of housing and community development activities.
9. Transportation Services. Improve transportation for low-income residents.
10. Fair Housing. Promote access to housing for all residents that qualify.
11. Food Bank Services. Provide food access services and programs to support low income residents.
12. Economic Development. Enhance economic development activities and provide job training opportunities.
13. Historic Rehabilitation and Preservation. Address blighted historic properties.
14. Urgent Need. Provide resources to communities that lack the resources to address eligible urgent needs.
15. New Construction Housing. Provide assistance to low-mod income residents to support new housing opportunities.

## Service Delivery

Sterling Heights has excellent administrative capacity, with capable staff, excellent relationships with communities and non-governmental entities, and innovative programs. In addition to positive relationships with communities, the Consortium maintain open lines of communication with the CoC and many other non-profits servicing Macomb County low-income residents. The gaps in the institutional delivery of systems can be described in three categories:

1. **Management and Capacity:** The programs and funds are distributed through complex system of cities, service providers, and organizations. The Consortium is challenged in that each recipient has its own limitations and capacity constraints.
2. **Program Administration:** Reporting requirements increasingly make it difficult for grant recipients to administer projects and programs, this extends to all levels of the process and is confounded by staffing and budget limitations.
3. **Service Streamlining:** The dispersion and overlap of programming can create inefficiencies in service provision.

## 2014-15 Action Plan

Overall, Sterling Heights is a good place to live, work and play, and continues to grow, even during a period of population decline within the State of Michigan. The County is slowly recovering from a long and severe downturn in the regional economy. During the downturn the County's base economy (including housing and durable manufacturing) was severely challenged. Businesses that moved away and thousands of people lost their jobs and their homes. The impacts of the "Great Recession" are still a major priority for the consortium. Municipalities experienced a steep decline in tax revenues due to declining property values, during a time of increased demand for public services. Though the general consensus is the county is recovering from this period, the impacts are still being felt. Quality of life in the County remains threatened and the efforts of the Macomb HOME Consortium to improve conditions for LI residents and families are as important as ever.

Outreach conducted in this planning process confirmed that the delivery system is strong but is challenged by financial constraints and a great need for eligible activities. The working relationships established between partners are noteworthy, having resulted in the creation of the Consortium, the Macomb Homeless Coalition (MHC), effective interdepartmental cooperation that combines resources to further Program objectives, and inter-agency interventions. The Consortium also meets with the cities of Warren and St. Clair Shores on matters of mutual concern, and the County meets with its Urban County peers for the same purpose.

As reported in the last plan, the system is hindered by time and growing resource constraints, which impede cooperation among partners. Each has its own mandates, making it difficult to achieve the inter-organizational alignment necessary to address shared issues. Another constraint boils down to having insufficient money to address all needs. This forces hard choices between high priority needs and objectives, often diminishing opportunities for cooperation.

Sterling Heights has a need to keep existing public facilities that are currently operating at a desirable level. To the extent possible and permitted by funding restrictions Sterling Heights recognizes a basic need to maintain staffing, condition, and contemporary quality at existing public facilities, summarized in the following categories:

- Public parks
- Senior centers
- Emergency response facilities

- River and recreational access ways (trails and paths)

Sterling Heights also has a need to fix existing public facilities that are not operating at a desirable level. To the extent possible and permitted by funding restrictions Sterling Heights recognizes a basic need to address issues at existing public facilities, summarized in the following categories:

- Maintenance at senior centers
- Playgrounds and parks in disrepair requiring modernization
- Parking lots at community centers
- Energy consumption inefficiencies at public facilities

Sterling Heights recognizes that while maintenance and repair of existing facilities present an important and extensive need, there is also a need to create new public facilities to address gaps in the current systems. To the extent possible and permitted by funding restrictions Sterling Heights recognizes the need to provide new public facilities, summarized in the following categories:

- Community centers
- Senior housing campuses
- Park improvements
- Homeless shelters
- Recreation facilities for youth
- Community gardens
- Satellite community centers
- Water parks
- Creating joint use facility opportunities for parks, pools, and schools
- New geothermal facilities and energy efficient requirements

Public facility needs were determined by meeting with community leaders in a series of public forums and focus groups. The issues identified by these leaders were determined by Sterling Heights to be relevant to current funding priorities given the market and demographic conditions.

Sterling Heights has a need to keep existing infrastructure operating at a desirable level. To the extent possible and permitted by funding restrictions Sterling Heights recognizes a basic need to maintain condition, and contemporary quality with existing public improvements summarized in the following categories:

- Sidewalks
- Road Reconstruction
- ADA ramps for sidewalks
- Safety features of public environments

Sterling Heights also has a need to fix existing infrastructure not operating at a desirable level. To the extent possible and permitted by funding restrictions Sterling Heights recognizes a basic need to address issues with existing public improvements, summarized in the following categories:

- Road Reconstruction
- Sidewalks
- Maintenance activities for transportation infrastructure
- Infill development
- Targeted infrastructure maintenance to affordable neighborhoods and LI areas
- Drainage and storm water systems

- Underground infrastructure
- Other capital projects

Sterling Heights recognizes that while maintenance and repair of existing infrastructure presents an important and extensive need, there is also a need to create new public improvements to address gaps in the current systems. To the extent possible and permitted by funding restrictions Sterling Heights recognizes the need to provide new public improvements and strategies, summarized in the following categories:

- Improvements coordinated through the development of a County-wide capital improvement or strategic plan
- Improvements funded through a 3 or 5-year rotational funding program which will allow communities to do fewer, but larger projects, with a greater impact on quality of life for low income residents
- Establishing growth boundaries to direct improvements into target areas to better serve low income residents
- Requiring new improvements to be constructed only in areas with existing infrastructure services like sewer, water, and transit
- New road construction, including roadway reconstruction/reconfiguration for complete street improvements.
- Creation of new open space corridors, trails, and amenities along rivers
- Installation of streetscape elements including, benches, trees, bike parking, streetlamps, curbing, medians, crosswalks, bikeways and sidewalks
- Bike paths and trails
- Better transportation options,

Sterling Heights has a need to keep existing public services operating at a desirable level. Sterling Heights members are dedicated to providing the maximum level of funding allowed, currently capped at 15%. Priorities for public services are as follows:

- Maintain homeless services, human services, homeless prevention
- Maintain staffing levels for key agency partners
- Encourage comprehensive planning/strategic planning activities to optimize coordination of services
- Measure the impact of existing public services on poverty and housing need on a regional level
- Funding for transit connectivity for seniors, disabled individuals, and low income individuals to employment and essential services
- Explore avenues for increasing level of public services expenditures higher than 15%, including policy advocacy at the federal level
- Support for vital services to residents, including housing, senior programs, child advocacy, literacy and other agencies providing essential needs
- Housing rehabilitation services
- Support services and human services, and emergency human services for residents in need, families with children, elderly, disabled, veterans, and other special need populations (child victims of abuse, victims of domestic violence, those at risk of losing home, hungry, etc.)
- Provision of training opportunities to professionals that help residents navigate complex systems and access available resources
- Creating and managing food banks

- Providing educational opportunities

Sterling Heights also has a need to fix public services that are not operating at a desirable level, summarized in the following categories:

- Provide local connections with public transportation and allow SMART/RTA funding to be directed to local services
- Work with public service providers to determine current gaps and underperforming in services to take steps to correct issues
- Address underperformance of services resulting from inadequate staffing levels
- Address service related infrastructure needs, like relieving blocked storm drains, snow removal staff and equipment, park maintenance staff and equipment

Sterling Heights recognizes that there is also a need to consider new public services to address gaps in the current systems, summarized in the following categories:

- Support for new and improved public transportation
- Attract and foster development of more experienced Community Housing Development Organizations
- Initiate and participate in a new Countywide capital improvement plan/strategic plan comprehensively address the complexity and interrelation of quality of life issues in Macomb County
- Expand homeless support services by providing more beds, better shelters, and expanded rapid re-housing and transitional housing
- Provide assistance for homeowners for mortgage payments who are at risk of foreclosure
- Support new programs and strategies to for seniors to age in place
- Create new community gardens and programs to help neighbors grow their own food, provide plans, ground, seed, etc.
- Support transportation demand management strategies by providing bus passes for students, public employees, and even offer pass benefits to employers
- Provide residents with a list of public service resources that are available to them in order to promote equity, access, and efficiency of programs

## Public Engagement and Input

In the development of the Master Land Use Plan, the City solicited citizen input through several means. This included a web-based “community comment map”, vision fair, and numerous public meetings. Additionally, the City Planning Commission held a public hearing once a draft plan was prepared. A description of each is provided below.

### Community Remarks

A web-based “community comment map” engagement tool was established for the Master Land Use Plan and Parks, Recreation & Non-Motorized Master Plan efforts. This tool allowed citizens to share their thoughts and opinions specific to certain geographic locations within the City. Additionally, it allowed users to view and interact with the opinions of fellow citizens. To facilitate topic-based discussion, a total of eight pre-established categories were created, including: economic development; cultural & community services; parks & public spaces; public safety; housing; environment; motorized transportation; and, non-motorized transportation.

The community remarks engagement tool was active during late 2015 and early 2016. During this time, more than 100 interactions with the tool were received, with the most comments/responses falling within the economic development topic, followed by parks & public spaces, and non-motorized transportation.



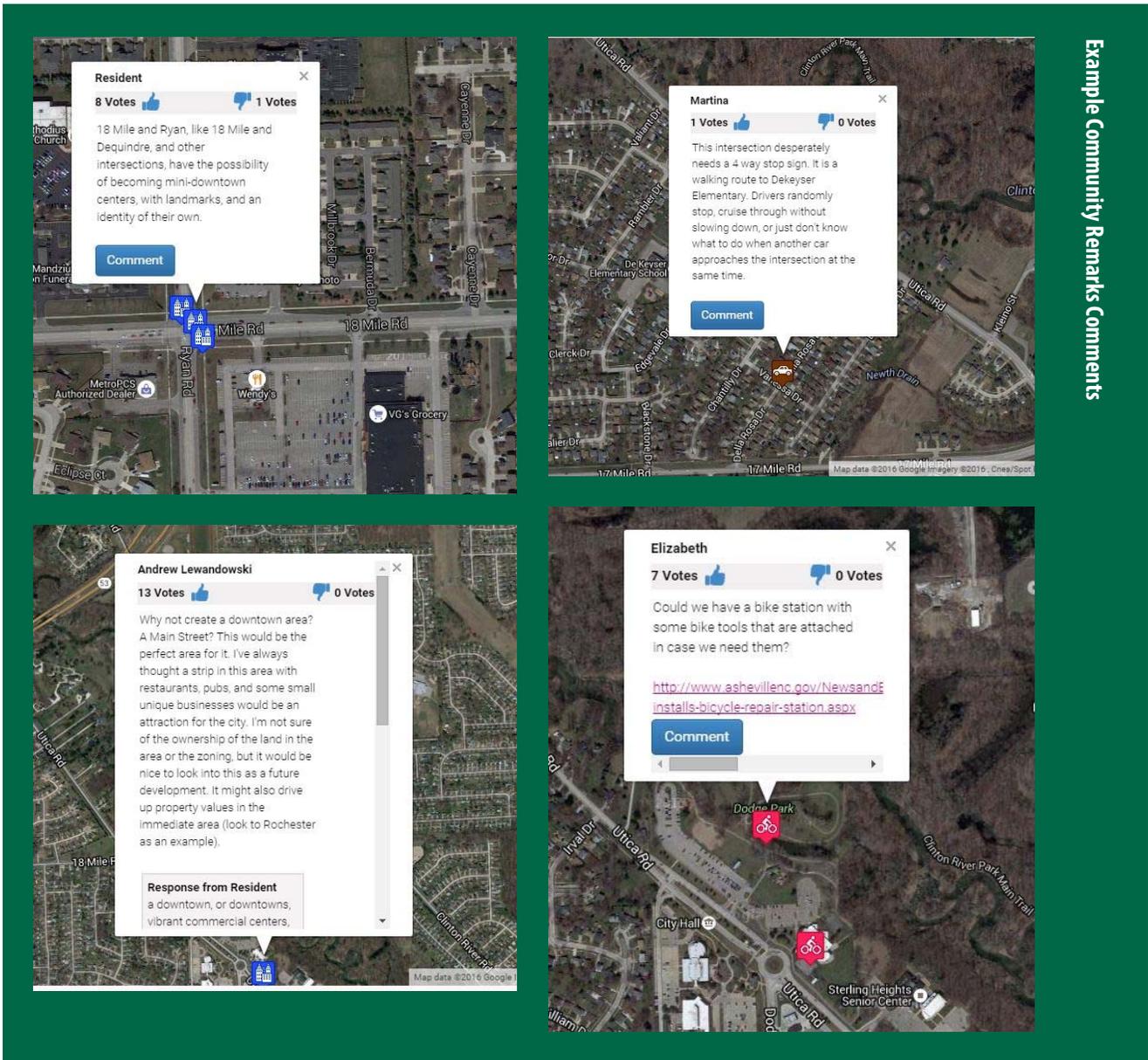
Related to economic development, the following themes emerged from the citizen interactions on the community remarks engagement tool:

- Importance and viability of Lakeside Mall, with the potential for redevelopment with additional density and mixed-use
- Potential for redeveloping established commercial corridors (such as Van Dyke Avenue) and major intersections for mixed-use, “mini-downtown” development
- Promotion of the Hall Road corridor for new development and coordination with neighbors and County to facilitate corridor improvements
- Desire for additional cultural facilities and events

Related to parks and recreation, the following themes emerged from the citizen interactions on the community remarks engagement tool:

- The desire for a cultural or historical museum within the City
- The desire for new, recreational facilities to serve citizens of all ages, including:

- Indoor community center (to include fitness center, aquatics and multi-purpose rooms)
- Outdoor pool/splash park
- Outdoor ice rink
- Dog park
- Expansion of the Senior Center
- Farmers market



Related to non-motorized transportation, the following themes emerged from the citizen interactions on the community remarks engagement tool:

- Identification of specific sidewalk gaps and desired shared-use path connections between neighborhoods, destinations, adjacent communities, and other shared-use path networks
- Desire for more bicycle amenities (bike fix-it station, bike rental, etc.)
- Identification of needed sidewalk/shared-use path bridge crossings or bridge repairs
- The need for sidewalk/shared-use path improvements along Schoenherr Road, generally between Lakeside Mall and the Clinton River Park system
- The need for sidewalk/shared-use path improvements along Utica Road, generally between 18 Mile Road and Van Dyke.

Related to other topics, the following themes emerged from the citizen interactions on the community remarks engagement tool:

- The need for road improvements related to both traffic congestion and road condition
- The need for safety enhancements (signage, signalization, lighting, crosswalks, etc.) along the City's primary roadways

## Vision Fair

On a Saturday morning in December 2015, a Master Plan Vision Fair was held at the Sterling Heights Senior Center. Attended by numerous interested citizens and stakeholders, this open house event allowed attendees to learn more about the project and offer their vision for the future of the City. "Information stations" were established to present data on each major technical element of the work plan, including: parks & non-motorized facilities, population, land, placemaking, and market opportunities. Various City staff and consultant team members were on-hand, allowing for direct interaction between citizens and members of the project team. The vision fair also provided an opportunity for attendees to fill out general comment sheets related to the work products and any other topics related to the future of the City.



## Community Forums

Two community forums were held during the planning process. The first community forum was held on March 16, 2016 and focused on the development of goals, objectives and strategies. The second community forum was held on April 20, 2016 and focused on the formulation of planning proposals related to development, land use, recreation and non-motorized networks. Both forums were held on a weekday evening at the Sterling Heights Senior Center.

## Community Forum #1

Focusing on the development of goals, objectives and strategies, the agenda for the first community forum included an overview of the City's Vision 2030 Plan (serving as a foundation for the Master Land Use Plan and Parks, Recreation & Non-Motorized Master Plan) and two small group exercises. The first small group exercise asked each group to work together to brainstorm problems which need to be solved, as well as aspirational needs related to community development, land use, parks and recreation, and non-motorized transportation. Once identified, the groups then worked together to formulate goals which would address the problems and aspirational needs.

The second small group exercise asked each group to work together to review and evaluate the goals for the Master Land Use Plan and the Parks, Recreation & Non-Motorized Master Plan. For each plan, listed by topic, several goals were already developed by the technical project team. The groups then worked together to ensure that the goals addressed the aspirational needs identified in the first exercise. If not, the group was asked to revise or identify new goals.



## Community Forum #2

Focusing on future planning proposals, the agenda for the second community forum began with a presentation of the "plan drivers" for the Master Land Use Plan and Parks, Recreation & Non-Motorized Master Plan. These plan drivers, recognized as guiding principles behind the planning effort, are highlighted in the sidebar.

Next, the forum included a presentation of a proposed planning framework map, which depicted the broad framework for the future physical development of the City, as well as community-wide connectivity. After the presentation, forum participants were asked to complete an evaluation sheet offering their opinions related to the proposed planning framework concepts.

**Vision 2030**

- Connectivity • Destinations and Attractions through Placemaking • Recreational Opportunities • Desirable Neighborhoods

**Smart Growth, Sustainability and Livability Principles**

- Sense of Place • Integration of Diverse Community Features • Transportation Choices
- Equitable and Affordable Housing • Mixed Land Uses
- Enhance Economic Competitiveness

**Community Context**

**Respond to the Marketplace**

- Residential ↑ • Office ↔ • Commercial ↔ • Industrial ↑

**Understanding Demographics Trends**

- LifeMode Groups • Household Size • Population Growth
- Family Composition • Ethnic Composition

**Respect Historical Patterns of Growth**

- Industrial Corridor (Auto Manufacturing and Defense Industry) • Clinton River Watershed
- M-59, I-696 and I-94 • Grid/Mile Road Street Network

**Measuring Community Excellence**

- Wall Street Journal Best Places to Live • Livability Top Places for Families
- AARP Livability Index

**Recognize Other Planning Activities**

- MACRO – Hall Road Improvements • City Strategic Plan • North Van Dyke CIA

**Catalyst Projects**

- Sunnybrook Golf Course • Beaumont Hospital • Lakeside Mall

**Public Comment**

City of Sterling Heights "Plan Drivers"

Finally, the forum included a “community character” group exercise. For this exercise, each group was given a large size planning framework map, along with a variety of precedent development images related to the following categories:

- Recreation Facilities
- Residential Development
- Commercial and Mixed-Use Development
- Office and Industrial Development
- Streets and Non-Motorized Facilities

Working together, the groups selected the images which embodied a desirable character of development for Sterling Heights and placed the images on the margins of the large map, adding text, arrows or other indications to identify specific areas of Sterling Heights that should accommodate the character of development shown in the image. An example of the finished work product from one of the groups is included on the next page.





## Guiding Principles

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### Visioning 2030 Plan as Foundation

In 2014, through engagement of community members, business leaders, City officials and City employees, the City of Sterling Heights adopted a Visioning 2030 Plan. This strategic planning effort seeks to ensure numerous outcomes for the future of the City, including stability, community growth, best practices, service excellence, and a stronger sense of community. The Visioning 2030 Plan established a vision statement and guiding principles for the City. Listed below, the vision statement and guiding principles from the Visioning 2030 Plan serve as the foundation for this Master Land Use Plan.

### *Vision Statement*

A vibrant, inclusive community for residents and businesses that is safe, active, progressive and distinctive. Sterling Heights – a bold vision for an exceptional quality of life.

### *Guiding Principles*

- Safe, well maintained and desirable neighborhoods enhanced by great schools
- Plentiful leisure and recreation opportunities featuring fully utilized parks
- Abundant pathways for biking and walking
- Focal points that are both public and private to serve as destinations for residents and visitors
- Well maintained and aesthetically pleasing roads and green spaces
- Successful, vibrant and attractive commercial centers with unique offerings
- Destination for high-tech and emerging industries and entrepreneurs

### Key Themes

The goals and objectives for the Master Land Use Plan as detailed in this section directly relate to several key themes related to land planning and development that were developed by the community through the public input process, by the Planning Commission, City Council and the City administration. These themes are:

### *Sustainability*

The City of Sterling Heights strives to become a sustainable place, meaning that it is economically, environmentally and culturally sustainable. Land use and policy decisions should reflect careful consideration of all three factors. Decisions made today should benefit – not burden – future generations.

### *Smart Growth*

Smart growth is an overriding theme for the Sterling Heights Master Land Use Plan. As government finances become more strained, it will become ever more important to make better decisions about how and where Sterling Heights grows.

What exactly is “smart growth”? The organization Smart Growth America defines it as:

*“Smart growth is a better way to build and maintain our towns and cities. Smart growth means building urban, suburban and rural communities with housing and transportation choices near jobs, shops and schools. This approach supports local economies and protects the environment.*

*At the heart of the American dream is the simple hope that each of us can choose to live in a neighborhood that is beautiful, safe, affordable and easy to get around. Smart growth does just that. Smart growth creates healthy communities with strong local businesses. Smart growth creates neighborhoods with schools and shops nearby and low-cost ways to get around for all our citizens. Smart growth creates jobs that pay well and reinforces the foundations of our economy. Americans want to make their neighborhoods great, and smart growth strategies help make that dream a reality.”<sup>26</sup>*

The United States Environmental Protection Agency (EPA) is a bit more succinct in their definition, which states:

*“Smart growth helps communities grow in ways that expand economic opportunity while protecting human health and the environment.”<sup>27</sup>*

Smart growth principles will help make Sterling Heights a more resilient community – resilient in dealing with the impacts of climate change, changing economies, demographic shifts and natural disaster.

### **Sense of Place**

Development and redevelopment in Sterling Heights should help to foster a distinct character that helps to continue to define Sterling Heights moving forward. Placemaking is a key component of determining what exactly is the character of Sterling Heights and how new development, redevelopment and preservation can work to celebrate that character.

### **Strong Economy**

It goes without saying that a strong local economy positions the City to realize many of the goals and objectives of this Master Land Use Plan. The residents of Sterling Heights recognize the importance of a vibrant economy, jobs created for citizens by existing and new businesses and the type of investments that come from economic development. They also recognize the need to balance economic development with priorities for quality of life in the neighborhoods, balanced transportation alternatives, and maintaining a community that has a sense of place/character.

### **Accessible Transportation**

It is crucial to create a complete transportation system which includes mass transit, walking, and bicycling in Sterling Heights. The City does not have a robust network of transit and non-motorized opportunities that many Michigan peer communities have obtained. Furthermore, citizens have been vocal about the desire for more transportation choices to get around the city and to connect to regional destinations.

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<sup>26</sup> <http://www.smartgrowthamerica.org/what-is-smart-growth>

<sup>27</sup> <http://www.epa.gov/smartgrowth>

## General Policy Goals and Objectives

General policy goals and objectives are detailed below. Other goals and objectives specifically related to particular land uses are detailed later in this chapter.

### **Goal 1. Adopt a Master Land Use Plan Development Framework Based on the Principles of Smart Growth**

The 10 principles of smart growth, as adapted for the City of Sterling Heights, are as follows:<sup>28</sup>

- Mix land uses, where appropriate
- Take advantage of compact building design
- Create a range of housing opportunities and choices
- Create walkable neighborhoods
- Foster distinctive, attractive communities with a strong sense of place
- Preserve open space, natural beauty, and critical environmental areas
- Strengthen and direct development towards existing developed areas
- Provide a variety of transportation choices
- Make development decisions predictable, fair, and cost effective
- Encourage community and stakeholder collaboration in development decisions

#### Objective 1.1 Smart Growth Implementation

Create a planning framework and scorecard that will enhance livability within Sterling Heights; preserve and enhance the City's natural, social and economic resources; discourage unsustainable development patterns while promoting land use decisions; and, standards that promote more efficient land uses that lessen the footprint of development on the natural environment.

### **Goal 2. Creative Placemaking through Nodal Development**

The development of the urban design and placemaking component of this new Master Land Use Plan uses nodal development as a starting point for envisioning places that people will be drawn to and that have the opportunity of attracting all demographics.

The 2005 Master Plan Land Use Plan on p.150 states "Concentrate commercial development in nodes as opposed to strips along major corridors." This was a good beginning strategy, but it still separates areas into land use zones. Current placemaking strategies call for a mixture of uses within a concentrated area. The reorientation of development into more concentrated areas (nodes) will help to create synergy between housing, retail, and commercial uses

#### Objective 2.1 Identify Nodes with Potential for Placemaking and Increased Activity

In order to support placemaking enhancements, a nodal development area should have at least three of these qualities:

1. Proximity to community/government services
2. Proximity to public amenities
3. Proximity to transportation networks including multi-use trails and/or mass transit
4. Sufficient surrounding residential population or commercial facilities

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<sup>28</sup> Based on Smart Growth Online, a website of the Maryland Department of Planning.  
[Http://smartgrowth.org/smart-growth-principles](http://smartgrowth.org/smart-growth-principles)

5. Available physical space to accommodate catalytic projects
6. Ability to have both sides of a street engaged in creating "place"
7. Ability accommodate various modes of transportation including autos, transit, bicyclers and pedestrians
8. Ability to become a mixed-use zone within a walkable pedestrian shed (approximately 1/4 mile in each direction)

Objective 2.2 Creative Placemaking: Tactical and Lean Urbanism

Current urban design best practices call for more strategic, short term, implementable initiatives. Tactical urbanism and lean urbanism models produce greater short term results. The City should develop a review and permitting process which enables tactical urbanism while ensuring appropriate and safe designs.

Objective 2.3 Form Based Code

The City should work to adopt a form based or hybrid zoning code with strong design elements, particularly for those nodes that have been singled out as having potential for placemaking and increased activities.

**Goal 3. Strategy for Reducing the Carbon Footprint of Sterling Heights**

The City shall take the following actions as a part of its overall strategy to limit the City's carbon footprint:

Objective 3.1 Non-motorized Transportation.

Work to create a more robust network of non-motorized transportation routes that encourages pedestrian transportation and biking.

Objective 3.2 Public Transit.

Create opportunities within the Regional Transit Authority (RTA) and/or SMART to expand transit services within Sterling Heights. Maximize existing regional transportation routes such as Van Dyke, Mound Road, and M-59 to provide enhanced transit services which connect to the City to Detroit and other major suburban destinations.

Objective 3.3 Energy Efficiency.

Encourage or require the use of energy-efficient lighting for streets, parking lots, parks and public spaces. Develop a policy requiring all public buildings to use energy efficient appliances, fixtures and building design. Adopt zoning incentives and/or changes to streamline permitting for alternative energy production.

Objective 3.4 Discourage Unnecessary Restrictions.

Discourage regulations, subdivision bylaws or other deed restrictions that might prevent or hamper energy conservation efforts, such as the use of solar panels in home design.

**Goal 4. Limit Human Impact on the Environment**

Preserving the quality of the natural environment helps strengthen sense of place and neighborhood quality of life. Further, providing natural areas for stormwater infiltration and implementing standards regulating impervious surface help reduce flooding issues, reduce the cost of stormwater infrastructure and improve water quality.

Objective 4.1 Sustain and Enhance Air and Water Quality

Air and water are both regional issues because they cross artificial political jurisdictional boundaries. Sterling Heights should continue to work with SEMCOG, Macomb County and its neighbors to educate the public on the importance of clean air and water. Further, the City should continue to examine performance standards for industrial and manufacturing land uses to ensure these activities aren't having an overall negative impact on local and regional air and water quality.

Objective 4.2 Encourage On-Site Retention and Infiltration of Stormwater

The most cost-effective way to deal with stormwater is to create opportunities for infiltration. In a fully developed community like Sterling Heights, creating these opportunities can happen in a number of forms. The City should encourage the expanded use of rain gardens as a part of new developments and in areas where stormwater creates flooding problems. The City should also adopt a green streets policy wherein when a street is completely reconstructed, stormwater infiltration and green infrastructure becomes a component of the project. The City should also look to set limits on impervious surface creation in commercial and residential areas.

Objective 4.3 Identify and Preserve Key Natural Features and Habitats

The City should work to identify, assess and protect key habitats, natural corridors, wetlands and woodlands. Any preservation strategy should focus on a larger functioning network of connected open spaces, not on creating and preserving only isolated parcels which cannot ecologically function in isolation.

**Goal 5. Promote Cultural, Socioeconomic and Age Diversity**

Diversity of all types is a building block for community resilience and sustainability. The City should focus on ways to increase socioeconomic diversity, to ensure the City is a wonderful place to live for citizens of all ages, races and cultural backgrounds.

Objective 5.1 Amend Codes to Allow More Housing Types

The City should review and amend its ordinances to allow for a wider range of housing types including micro-units and other similar smaller living spaces.

Objective 5.2 Ensure Codes are Reflective of Cultural Preferences

Where appropriate, the City should review its ordinances to ensure that regulations are reflective and inclusive of specific cultural preferences.

**Residential and Neighborhood Development Goals and Objectives**

**Goal 1. Improve Livability within the City's Residential Areas**

Livability is a critical component of a sustainable community. Successful communities are those in which people want to live and choose to stay. The American Institute of Architects (AIA) has

developed eight fundamental planning and design principles to be considered to ensure communities maintain a high degree of “livability” and quality of life.<sup>29</sup> These eight principles are:

1. Sense of place
2. Mixed-use development
3. Density
4. Regional transportation
5. Complete street design
6. Physical health and community design
7. Public safety, personal security
8. Sustainable approach to neighborhood and regional development

*Objective 1.1 Utilize the Principles as a basis for Regulatory Revisions*

These principles should guide the revision of the City’s zoning ordinance and are reflected in the Future Land Use Plan.

*Objective 1.2 Create a Stronger Sense of Place through Zoning*

Preserve, strengthen and enhance the character of a node or district by assessing the natural and man-made assets of that node and working to codify the main elements that create a sense of place in each node. The City should adopt form-based or hybrid zoning to guide nodal development.

*Objective 1.3 Encourage Mixed-Use Development*

The City should create opportunities and/or requirements for mixed use buildings and districts in nodes with close proximity to single family neighborhoods so there is the opportunity to create truly walkable neighborhoods with a range of services available to those without the use of a car. In pursuing this objective, the City must ensure that appropriate buffering is provided to mitigate potential negative impacts between higher density uses and lower density residential uses.

*Objective 1.4 Seek to Create New Housing through Density Changes*

As noted in this Master Land Use Plan, the City is projected to grow while its average household size continues to decline. Therefore, there will continue to be a demand for new housing in the City. Further, trends indicate an increased demand for non-traditional housing types on smaller lots within mixed-use neighborhoods. Thus, new housing should be prioritized in areas where increased density and new housing product are appropriate, which is in nodal development areas.

*Objective 1.5 Access to Regional Transportation Network*

Residents and stakeholders have expressed an increased desire for additional transportation choices. Ensuring City residents have the access to a larger regional transportation network that connects neighborhoods within the City as well as the City to other regional job centers and destinations is essential for the ensuring a high quality of life for Sterling Heights. The City should play a lead role in working with the Regional Transportation Authority to create inter-city transit. Further, the City should work closely with SMART to expand and improve bus service within the City. Transit facilities should be incorporated into new street design and the design of nodal development projects.

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<sup>29</sup> What Makes a Community Livable? Livability 101. The American Institute of Architects. 2005. <http://www.aia.org/aiaucmp/groups/aia/documents/pdf/aia077944.pdf>

Objective 1.6 Create a Network of Complete Streets

The City adopted a Complete Streets policy on December 8, 2011. Planning for streets as public spaces that are accessible to all residents (not just drivers) is a key part of smart growth and creative placemaking. The City should continue working to ensure that its street network is designed for all users; this does not imply that every street is appropriate for every user; rather, that every user has the ability to get around the street network in whatever manner they choose.

Objective 1.7 Prioritize Design that Encourages and Promotes Physical Activity

The Centers for Disease Control has correlated the incidence of heart disease, diabetes, cancer, and stroke with physical inactivity. The City should encourage walkable and active neighborhoods for children, teens, adults, and senior citizens. This can be accomplished through various means including the provision recreational spaces and amenities, multi-modal transportation facilities and mixed-use activity centers within walking distance of neighborhoods.

Objective 1.8 Public Safety and Personal Security

Sensitive planning and design takes advantage of sophisticated technology and proper operations allows the City to improve public safety in the most unobtrusive ways. Sterling Heights is a very safe community, and the sense of personal security is a huge factor in the high quality of life within the community. The City should work to ensure that zoning and land use policies are not creating isolated neighborhoods and pockets of poverty. Additionally, law enforcement and emergency service officials should be actively involved in the review of zoning proposals and land development projects.

**Goal 2. Allow for a Broader Range of Housing Types and Products**

As described in the demographics chapter, population is expected to grow while household size will shrink between now and 2040. It is vital that the City appropriately plan for additional housing development.

Objective 2.1 Permit New Housing Types – the Missing Middle

The City of Sterling Heights should seek to ensure housing choice for individuals of all lifestyles and ages through the provision of a more diversified housing stock. Although the single-family detached home is likely to remain the dominant housing type within the City over the next 25 years, the City should encourage and allow for other non-traditional housing types which are increasingly desired by Americans, such as duplexes, fourplexes, bungalow courts, live/work units, and courtyard apartments. These units are collectively called the “missing middle” by planners because so many Michigan communities don’t have these housing products. These units are illustrated in the graphic below.



Image source: Opticos Design, Inc.

**Objective 2.2 Age-in Place Housing**

The City should also diversify its housing stock by encouraging and allowing, where appropriate, housing types which enable citizens to age-in-place, such as accessory dwelling units, active senior living developments, and elderly care facilities.

**Objective 2.3 Ensure a Mix of Affordable and Rental Units**

An appropriate balance of affordable units and rental units should be maintained as an option for those who desire affordable housing and/or who would prefer to rent instead of own their housing units. Research has demonstrated that excessive regulation and public participation requirements for housing developments create isolated wealthy enclaves. One way to help accomplish the objective of creating a mix of affordable and work force housing is to shorten development review and provide more administrative approvals to accelerate the timeline for construction of such units.

**Goal 3. Create Human Scale Places**

The only way to effectively create walkable districts is to make sure the district or node is built to human scale. "Human scale refers to a size, texture, and articulation of physical elements that match the size and proportions of humans and, equally important, correspond to the speed at which humans walk. Building details, pavement texture, street trees, and street furniture are all physical elements contributing to human scale."<sup>30</sup>

**Objective 3.1 Create Form Based Zoning Nodal Development Districts**

The City should develop a form-based or hybrid zoning district for nodal development that includes requirements for human scale design.

**Objective 3.2 Review and Adopt Human Scale Zoning Requirements in Other Areas**

The City should explore other areas of the City, such as within the Van Dyke Avenue and Mound Road corridors, for the inclusion of new or updated zoning regulations which promote human scale development.

<sup>30</sup> Ewing, Reid. Eight Qualities of Pedestrian and Transit-Oriented Design. Urban Land. March 7, 2013.

#### **Goal 4. Provide Access to Natural Areas and Parks for All Citizens**

Accept and implement the City of Sterling Heights Parks, Recreation and Non-Motorized Master Plan as the future vision for recreation services and facilities as well as non-motorized connections.

### **Commercial and Office Goals and Objectives**

#### **Goal 1. Create mixed-use nodes that include commercial, office, civic and residential use**

The City's placemaking strategy is based on nodal development as a starting point for envisioning places that people will be drawn to and that have the opportunity of attracting new demographics.

##### Objective 1.1 Identify Nodes with Potential for Placemaking and Increased Activity

In order to support placemaking enhancements, a nodal development area should have at least three of these qualities:

1. Proximity to community/government services
2. Proximity to public amenities
3. Proximity to transportation networks including multi-use trails and/or mass transit
4. Sufficient surrounding residential population or commercial facilities
5. Available physical space to accommodate catalytic projects
6. Ability to have both sides of a street engaged in creating "place"
7. Ability accommodate various modes of transportation including autos, transit, bicyclers and pedestrians
8. Ability to become a mixed-use zone within a walkable pedestrian shed (approximately 1/4 mile in each direction)

##### Objective 1.2 Create Zoning that Allows Mixed-Use Buildings and Districts By Right

The City should amend its zoning ordinance to allow by-right mixed use buildings and multiple uses within each nodal district.

##### Objective 1.3 Emphasize Flexible Use and Adopt Form Based Zoning Language

The City should provide property owners with a greater deal of flexibility in commercial and mixed-use districts. To do this, the City should develop a form based zoning code, or a hybrid code with form based districts.

##### Objective 1.4 Enhance Auto-Dependent Commercial Corridors

The auto-centric suburban strip commercial corridor is as much a part of America as apple pie or baseball. These types of spaces, however, are not as resilient or sustainable in comparison well-planned mixed-use districts. Recognizing that some of the City's major road corridors will continue to offer auto-centric land uses to meet the demands of local citizens and regional commuters, the City should seek to enhance these corridors. This can be accomplished through the adoption of regulations/guidelines pertaining to building, site layout and signage design, as well as the implementation of physical improvements such as streetscaping and public art installations. Additionally, the City should explore opportunities to accommodate mixed-use, higher density nodal development within these corridors.

## **Industrial, Manufacturing, Warehousing and Logistics Goals and Objectives**

Sterling Heights boasts some of the best industrial and manufacturing sites in the country. These uses have helped define the community and are vital to its long term economic and cultural health.

### **Goal 1. Build Upon the City's Track Record for Success in the Industrial Sector**

Sterling Heights has all the features industrial users look for, and the market demands more and better space. Sterling Heights has all the fundamentals in place to attract and retain blue-chip industrial users, and should continue to build off of this track record of success.

#### Objective 1.1 Provide High Quality Infrastructure to Facilitate Business Growth

Make available and maintain high quality infrastructure, including roads, water, sewer, and communications technology (high speed internet, Wi-Fi, etc.), to support business growth and development.

#### Objective 1.2 Target the City's Industrial Corridor for Additional Investment

Enhance and promote the City's industrial corridor as a premier location for innovation and investment. Work with regional and local partners to promote and establish a brand for the district, while initiating economic development programs such as a smart zone or tax increment finance district.

### **Goal 2. Create Flexibility**

Technology is changing manufacturing so quickly that traditional Euclidean zoning standards used to regulate industrial and manufacturing often become obsolete soon after they are adopted. While the market for industrial space is strong in 2016, the City should be working to ensure that a downturn in this market does not economically devastate the community.

#### Objective 2.1 Foster a Favorable Business Climate for Investment

Continue to offer a streamlined development review and permitting process that allows for design flexibility in manufacturing, warehousing, logistics and other industrial operations.

#### Objective 2.2 Create a Business Recruitment and Retention Program

The City should work to create a business recruitment and retention program. While it is natural to focus on the major manufacturing companies related to the automotive, defense and aerospace industries, effort should be made to recruit smaller firms with less intensive space needs.

### **Goal 3. Mitigate the Impact of Industrial and Manufacturing Uses on Neighboring Property**

#### Objective 3.1 Keep Performance Standards For Industrial and Manufacturing Uses Current

The City should use the most current science and health safety standards as their performance standards. It's typical for a community to develop industrial performance standards – particularly concerning air quality, water, noise, traffic, light and vibration – and then never update those standards even as the science behind them changes. The City should reexamine these standards every five years at a minimum.

Objective 3.2 Increase Industrial Greenspace

The City should encourage and require generous greenspace as part of new industrial development projects for the benefit and enjoyment of employees and to serve as a buffer for adjacent properties.

## **Transportation Goals and Objectives**

### **Goal 1. Create Transportation Choices**

The City shall work to create opportunities for all modes of transportation with a particular emphasis on expanding the opportunity for walking, biking and transit.

Objective 1.1 Plan and Implement Non-Motorized Connections

Support and encourage accessibility to and within City parks, as well as development of the local, county and regional non-motorized systems.

Objective 1.2 Require Non-Motorized Infrastructure

Require sidewalks as part of all new development and work to fill in gaps in the sidewalk network.

### **Goal 2. Expand Public Transit**

Objective 2.1 Expand Public Transit.

Create opportunities within the Regional Transit Authority (RTA) and/or SMART to expand transit services in Sterling Heights that provides for transit within the City as well as connecting the City to Detroit and suburban destinations.

### **Goal 3. Plan for Changes in Transportation Demand**

Transportation is also changing quite rapidly. In the last decade, trends have emerged where the young (the millennials) and older adults are forgoing driving. In many communities, people are not opting to own cars, choosing instead to use car sharing services such as Zip Car.

Objective 3.1 Create Opportunities for New Technology and Trends

The City needs to create incentives that allow for the use of new technologies and trends in transportation. This may include requiring space for bike amenities, car sharing or electric vehicle charging in new developments. It may also include changing parking standards based on changing transportation demand.

### **Goal 4. Maintain the Existing Street Network**

Preventative maintenance is far more cost effective than reconstructing roads.

Objective 4.1 Develop an Asset Management Plan.

The City should create an Asset Management Plan and utilize PASER pavement ratings to assess maintenance schedules.

## Infrastructure and Community Facilities Goals and Objectives

### **Goal 1. Develop an Asset Management Plan**

Repeating Transportation Objective 4.1, the City should develop an asset management plan for all of its infrastructure – roads, water, sanitary and storm sewer.

### **Goal 2. Develop a City Forestry Plan**

Trees play a vital role in so many aspects of civic life. They are, of course, a huge amenity for homeowners and renters as they shade our houses and streets. They also help to cool our buildings, reducing the need for air conditioning. Trees are also important for water quality and stormwater management as trees play an important role in stormwater infiltration. Trees help improve air quality. Finally, trees boost our property values exponentially.

#### Objective 2.1 Develop a City Forestry and Tree Planting Plan

The City of Sterling Heights should develop a comprehensive street tree inventory and plan for tree planting in the public right-of-way. The City should also seek to create a stream of dedicated funding to provide for tree planting and maintenance.

#### Objective 2.2 Enhance Road Rights-of-Way through Tree Plantings

Ensure the inclusion of tree plantings in the design of City, County and State road improvement projects.

### **Goal 3. Provide Exceptional Public Infrastructure and Services**

The City should endeavor to provide exceptional public infrastructure and services to serve existing and future development in a manner that practically and cost-effectively facilitates the implementation of the vision set forth in the Master Land Use Plan.

#### Objective 3.1 Provide High Quality Infrastructure and Facilities to Serve Citizens and Businesses

Make available and maintain high quality infrastructure, including roads, water, sewer, and communications technology (high speed internet, Wi-Fi, etc.), to serve citizens and support business growth and development.

#### Objective 3.2 Maintain High-Quality City Buildings and Properties

The City should set the example for high-quality public service through the implementation of best management practices for the design and management of City buildings and properties.

## Planning Framework and Recommendations

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This chapter presents the plan for the future physical development of the City of Sterling Heights over the next 25 years. This plan is shaped by a thorough understanding of existing conditions and community character, as well as the principles, goals and objectives established in the Guiding Principles chapter.

### Planning Framework

The broad framework for the future physical development of the City is described below and highlighted on the **Planning Framework Map**. The planning framework narrative and map also provides the context for more specific proposals outlined later in this chapter, such as the Future Land Use Plan and the Non-Motorized Master Plan.

#### *Established Residential Neighborhoods and Supportive Land Uses*

Safe, strong and vibrant neighborhoods are a major asset of Sterling Heights. The City's established neighborhoods, along with supportive uses such as schools and places of worship, are the foundation of the Planning Framework Plan.

#### *Public Parklands*

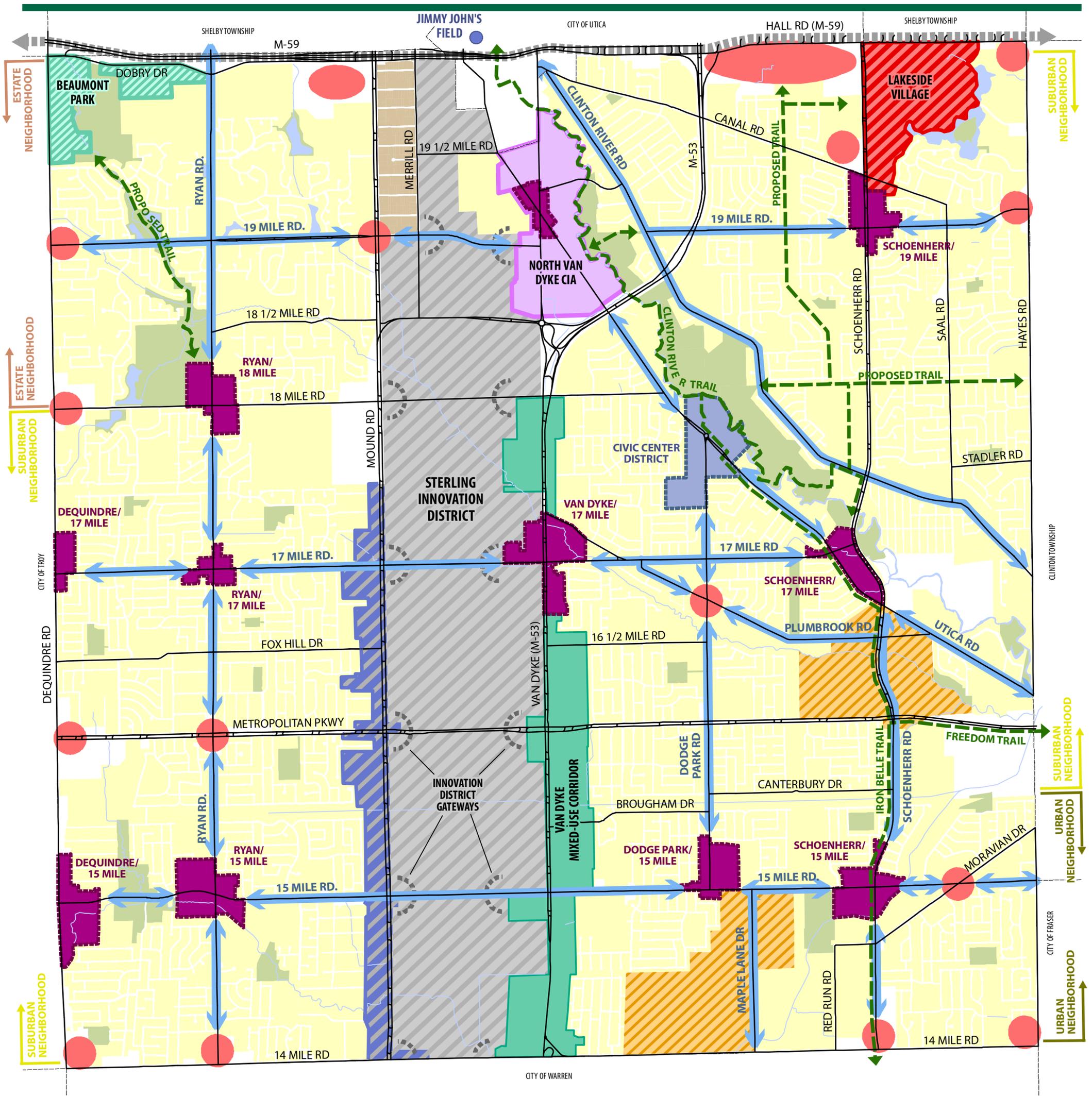
Existing City-owned park facilities are recognized on the Planning Framework Plan for the role that they play in the quality of life of City residents. These include large recreational facilities which serve the entire City, as well as numerous neighborhood parks.

#### *Neighborhood Development Area*

The Planning Framework Plan identifies two key opportunities to accommodate future neighborhood residential development. One neighborhood development area is located along Schoenherr, between Utica Road and Metropolitan Parkway; the second area is found along Maple Lane Drive, south of 15 Mile Road. Both areas include existing golf course properties which have the potential to be redeveloped and/or retrofitted to include residential development. Both are ideal locations to accommodate different forms of residential development that are not present in the City and which are increasingly in demand, along with supportive non-residential uses. Strong pedestrian connections to nearby amenities and neighborhoods are critical to facilitate access and recreational lifestyles.

#### *Traditional Mixed-Use Development Node*

This Master Land Use Plan has established a placemaking strategy based on "nodal development" as a starting point for envisioning places that people will be drawn to and that offer an opportunity to attract new demographics. Mixed use areas in walkable cities and pedestrian-oriented areas are experiencing a renaissance unlike anything seen in decades. Largely vacant office buildings are filling up with new businesses and residents, the ground floors are welcoming new shops and restaurants, and the streets and public spaces are returning to life. Walkable areas are finding renewed success and interest in these areas has spurred an increased market demand for such places.



### Planning Framework Map

**DRAFT**

- Traditional Mixed-Use Development Node
- Established Commercial Development Areas
- Community Business District
- Regional Shopping District
- Mixed-Use Commercial Corridor
- Medical Office/Mixed-Use
- Industrial Innovation Corridor
- Innovation Support Corridor
- Civic Node
- Neighborhood Development Area
- Established Residential Neighborhoods and Supportive Land Uses (Churches, Schools, etc.)
- Public Parklands
- Land Use Transition Areas
- Primary Roads
- Designated Pedestrial/Bike-Oriented Street
- Existing/Proposed Shared Use Trails
- Potential RTA Transit Route



# Master Land Use Plan

## 2016-2036



Sept. 27, 2016



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In metropolitan Detroit, the northern suburbs, while traditionally stable, are also seeing a renewed interest in neglected commercial and residential properties. This provides an opportunity to rethink suburban areas from a placemaking perspective by adding an additional layer of activity to enhance them. In this regard, the Placemaking Analysis section of this Master Land Use Plan identified 13 nodes which have the potential of being significant examples of livability through the implementation of placemaking enhancements. These nodes were identified because they exhibited key characteristics, including walkability, existing physical development, mix of land use, access, and their context in relation to surrounding neighborhoods or districts.

The **Planning Framework Map** shows these strategic locations as Traditional Mixed-Use Development Nodes. In total, eleven nodes have been identified within the City. Within these nodes, the City seeks to promote the following placemaking concepts:

- Pedestrian Usage – Create identifiable pedestrian pathways, circulation and linkages within the node and to adjacent neighborhoods and districts.
- Sense of Place – Foster a unique sense of place which will encourage people to come to live, work and play.
- Build Upon Existing Assets – New development and redevelopment concepts must be reflective of, and build upon, the node’s existing physical character and infrastructure.
- Integration of Varied Housing Types – The thoughtful integration of varied housing stock into each node will be an important component of its future success.
- Green Spaces / Public Realm – Traditional mixed-use development nodes must include good sidewalks, convenient parks and unique gathering places. These amenities will leave a lasting impression on a visitor and create comfort for day-to-day users and residents of the node.
- Mixed Uses – A diverse mixture of uses working in unison can achieve an active environment and a healthy place. The integration of residential use provides activity throughout the day, night and during the weekends. A mixture of daytime and nighttime uses should be pursued.
- Mobility – Ingress, egress, non-motorized systems, pedestrian accommodations, and parking concepts should be developed to enhance the pedestrian-oriented urban environment.

Conceptual plans, which apply the above placemaking concepts in a more specific manner, have been prepared for five of the eleven nodes within the City. These Traditional Mixed-Use Development Node Concepts are presented in the Future Land Use Plan, which follows this section.

### ***Established Commercial Development Areas***

Existing commercial nodes, most commonly found at major road intersections, are identified on the **Planning Framework Map**. These existing commercial nodes (which may feature other non-residential uses such as offices) provide needed services to adjacent neighborhoods and users of the road network. Thus, they are expected to remain in-place in the long-term.

### ***Community Business District***

The North Van Dyke business district is recognized in the Planning Framework as an important location which provides local employment and serves the convenience needs of citizens. A Corridor Improvement Authority (CIA) has been established for the business district to provide a funding source for improvements within the district. The CIA seeks to enhance public spaces within the

district, establish and implement a consistent design theme for public spaces and private properties, and stimulate economic growth and increased property values.

The North Van Dyke business district is strategically located near major transportation routes (M-53 and M-59), a regional trail route (Clinton River Trail), and Downtown Utica. With the construction of the new Jimmy John's Field, a minor league baseball stadium located just to the north of the district, there exists an opportunity for the North Van Dyke business district to capture customers from those who visit the ballpark. Increase demand for restaurants, sports bars and sports-related merchandise stores is likely and could be accommodated by existing or new business within the district. The City and CIA should seek to enhance existing connections to the ballpark, including the Clinton River Trail, or provide new connections, such as a shuttle service to the ballpark.

As the key intersection within the North Van Dyke business district, Utica Road at Van Dyke Avenue has been designated as a Traditional Mixed-Use Development Node. A concept plan for this node has been prepared and is included in the Future Land Use Plan, which follows this section.

### ***Regional Shopping District***

Constructed in 1976, Lakeside Mall is a regional, full-line enclosed shopping mall located along the south side of M-59, between Schoenherr Road and Hayes Road. The mall contains two floors, and has a total retail floor area of 1,505,504 square feet supported by 7,745 on-site parking spaces. The mall features more than 150 stores, as well as a food court. The mall draws shoppers and visitors from well beyond the City limits. Given its size and importance as a regional hub for commerce, the Lakeside Mall and surrounding commercial uses is a key component of the City's planning framework. This Plan outlines a long-term vision to transform the Lakeside Mall into a mixed-use town center or urban district.

### ***Mixed-Use Commercial Corridor***

Van Dyke Avenue (M-53) is the City's primary north-south corridor, supporting several major industrial complexes and commercial centers. The Planning Framework recognizes the importance of this mixed-use corridor for the commerce and employment of residents of both the region and City. However, this Plan recommends numerous enhancements to enhance the corridor's functionality, long-term marketability, access/mobility, and its overall aesthetic appeal.

### ***Medical Office/Mixed-Use***

The Beaumont Hospital – Troy campus is a 458 bed community hospital with full inpatient and outpatient services. Located directly across from the hospital, the Beaumont Medical Center – Sterling Heights includes the Family Medicine Center, Rehabilitation and Dialysis Center and Physician Office Building and Cancer Center. The hospital and medical center are connected via a skywalk over Dequindre Road. The potential for development of this area for future medical and medical office use is high, given the presence of Beaumont Hospital, access to a freeway interchange (M-59 at Dequindre), availability of undeveloped land, and proximity to natural areas (Plumbrook Nature Preserve). Thus, this Plan seeks expanded development of this area to accommodate medical and medical office related use within a planned campus setting.

### ***Industrial Innovation Corridor***

Sterling Heights boasts some of the best industrial and manufacturing sites in the country. These uses have helped define the community and are vital to its long term economic and cultural health. These industrial lands are concentrated within an approximately 6 mile long by 1 mile wide corridor framed by Mound Road and Van Dyke Avenue (the Sterling Innovation District).

Sterling Heights has all the features industrial users look for, and the market demands more and better space. Sterling Heights has the fundamentals in place to attract and retain blue-chip industrial users, and should continue to build off of this track record of success. This Plan seeks to continue a proactive approach in promoting the industrial corridor as a premier location for innovation and investment. A district “branding” and marketing effort is currently underway. Once a district identity or design theme is established, gateway treatments on major transportation arteries into the district should be established through a combination of landscaping, hardscapes and/or signage.

### ***Innovation Support Corridor***

The lands along the west side of Mound Road are closely tied to the City’s industrial corridor which fronts the east side of Mound Road. The success of the commercial uses in the corridor is dependent upon the employee base of the industrial corridor. Office and light industrial uses on the west side of Mound Road thrive on proximity to the major industrial operations across the road. This Plan seeks to establish a well-planned mixed-use “innovation support corridor” which supports the success and viability of the City’s industrial corridor.

### ***Civic Node***

The Planning Framework recognizes the existing governmental “center” of Sterling Heights, located at the intersection of Utica Road and Dodge Park Road, as a key node within the City. This Plan envisions additional municipal and civic facility development within this node in the future to serve the City’s growing population and ensure high quality services for its citizens.

### ***Land Use Transition Areas***

The Planning Framework recognizes one area in the City that is in a state of land use transition. This area, located between Mound Road and Merrill Road in the northern portion of the City, is a location where detached single-family residential dwellings are currently located, but should be phased out over time. In line with market demand and timing, this Plan envisions a transition to more intensive land use. Such future land use may include a mixture of multiple-family residential, office, local commercial or industrial.

## Future Land Use Plan

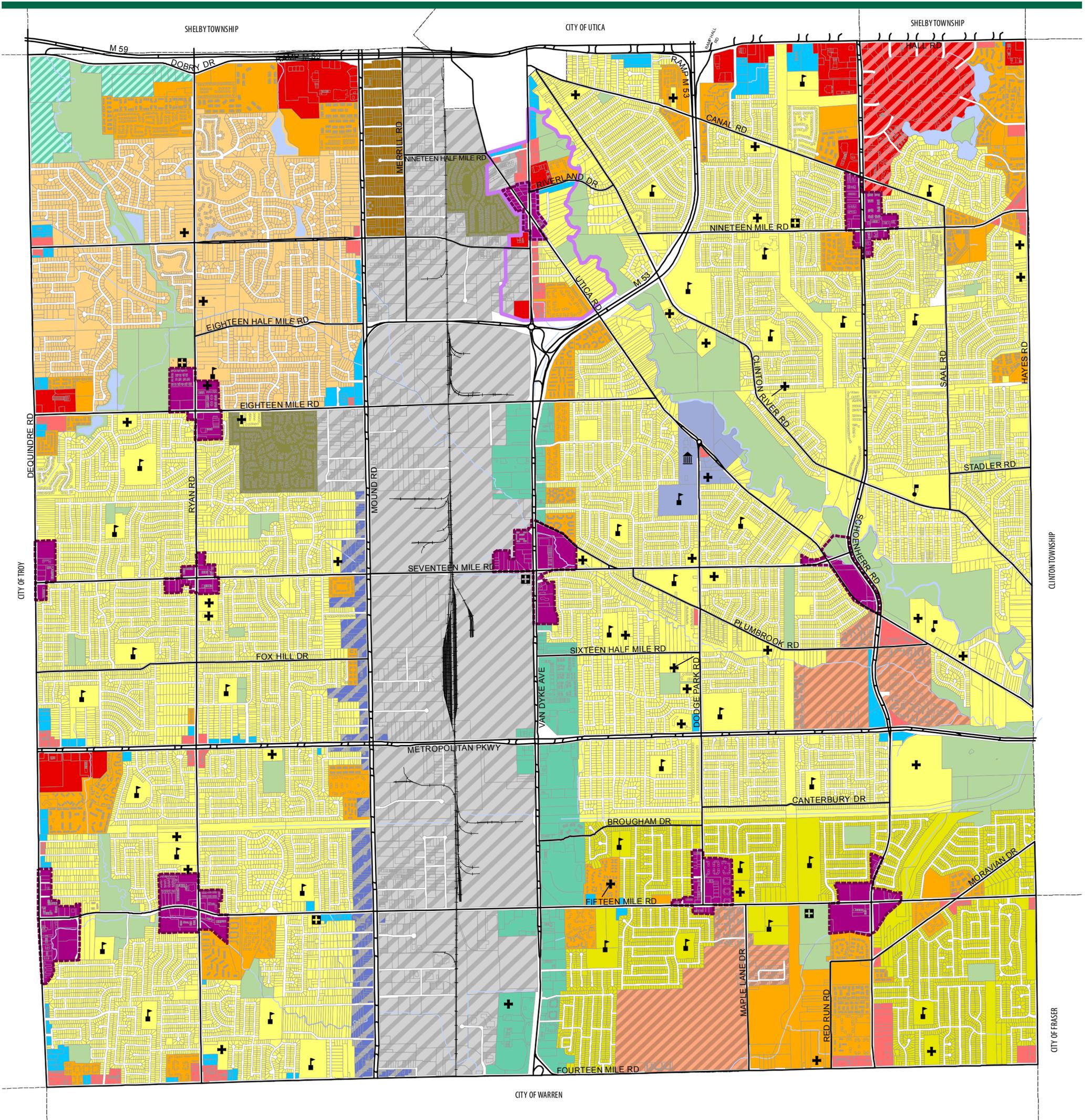
The Future Land Use Plan is focused on ensuring that development and redevelopment occurs in a manner that preserves and enhances the character and quality of the neighborhoods, commercial areas, and industrial areas in the City. The Future Land Use Plan section provides a description of the 18 future land use categories identified on the **Future Land Use Map**. These future land use category descriptions generally outline the form that development (including redevelopment) is expected to take in the City. Additional activities will be necessary to implement the recommendations of the future land use category descriptions below.

### *Residential Neighborhoods*

Neighborhoods are the building blocks of a community, and the health and vitality of a City in general is directly correlated with the health and vitality of its neighborhoods. It follows as a matter of course that Sterling Heights is defined primarily by its neighborhoods, and it is of paramount importance that the neighborhoods of the City continue to be inviting, healthy, stable places to live.

It is the intent of this Plan to encourage the maintenance of Sterling Heights' existing neighborhoods, while promoting the creation of vibrant new neighborhoods through intelligent development of the remaining vacant parcels and as redevelopment opportunities occur. Such development and redevelopment should be centered around the following principles:

- Neighborhoods should be compact and pedestrian-friendly.
- Sidewalks should be provided in all instances. Features such as street trees, benches, lighting, and separate bike paths should be provided to create a pedestrian friendly environment. Pedestrian-scale architectural elements are encouraged on front facades to create a strong relationship between the building and the street.
- Neighborhoods should contain enough of a diversity of uses so that many of the activities of daily living can occur within walking distance of home. Continuous and safe pedestrian routes must be provided to support uses within the neighborhoods (schools, places of worship, etc.) as well as adjacent non-residential districts, particularly the "Traditional Mixed-Use Development Nodes" as designated on the Future Land Use Plan Map.
- Neighborhood streets should be interconnected, with continuous sidewalk routes, to facilitate efficient traffic flow and encourage walking. In the instance of infill development, the existing street and sidewalk network should be continued into new developments, regardless of housing type or the adjacent use.
- A broad range of housing types should be available within each neighborhood to ensure that all segments of the population may find places to live. Functional integration of the different types of housing units must be achieved in order for the neighborhood to function as a single unit. Integration can take the form of different housing units on the same street or block, or within an overall development.
- Central public spaces should be provided to facilitate the creation of or to reinforce community and neighborhood identity. In particular, a neighborhood park should be provided within each neighborhood. Such parks may be provided in conjunction with neighborhood schools.
- As redevelopment opportunities occur, basic services (schools, parks, shopping, etc.) should be provided within a five-minute walk (1/4 mile) of all residents of a neighborhood.



## Future Land Use Plan

**DRAFT**

Future Land Use Classifications:

- Estate Residential
- Suburban Residential
- Urban Residential
- Planned Residential
- Multiple-Family Residential
- Manufactured Home Residential
- Local Commercial
- Regional Commercial
- Lakeside Village

- Office
- Traditional Mixed-Use Development
- Van Dyke Mixed Use
- Medical/Office
- Industrial
- Innovation Support
- Civic Center
- Parks/Open Space
- Transitional Land Use

- North Van Dyke Corridor Improvement District
- Traditional Mixed-Use Development Node
- Primary Roads
- Sterling Heights Government Complex
- Public Schools/Properties
- Fire Stations
- Places of Worship
- Fraternal Organizations



# Master Land Use Plan

## 2016-2036



Sept. 27, 2016



The Future Land Use Plan has established three specific neighborhood classifications. These categories are listed and described below:

### Estate Residential

The Estate Residential future land use category encompasses the neighborhoods in the northwestern portion of the City (north of 18 Mile Road and west of Mound Road). Accommodating some of the newest single-family development in the City, these neighborhoods generally feature larger “estate” homes on larger lots in a more rural setting. These planned developments have been laid out to reflect the natural topography and environmental characteristics of the land and preserve natural features through the provision of common open space areas. Typical lot sizes are 10,000 square feet or larger with approximate densities of 4 dwelling units per acre or less. This classification is designed to protect these single-family neighborhoods, maintain their rural estate character and encourage future single-family neighborhood development which is consistent with the rural estate character.

### Suburban Residential

The Suburban Residential future land use category encompasses the majority of the City’s neighborhoods (with the exception of the northwestern and southeastern corners of the City). These neighborhoods are well established and were commonly constructed in the 1960’s and 1970’s. Each neighborhood typically includes a neighborhood park and/or a public school. Typical lot sizes range from 7,200 square feet to 10,000 square feet, with densities ranging from approximately 4 to 6 dwelling units per acre. This classification is designed to protect these single-family neighborhoods, maintain their suburban character and encourage future single-family neighborhood development which is consistent with the existing suburban character.

### Urban Residential

The Urban Residential future land use category has been established to encompass the neighborhoods within the southeastern portion of the City, generally south of the Sterling Relief Drain and between Van Dyke Road and Hayes Road. Generally constructed in the 1950’s, 1960’s and 1970’s, these established neighborhoods commonly include a neighborhood park and/or public school within their limits. Typical lot sizes range from 7,200 square feet to 10,000 square feet, with densities ranging from approximately 4 to 6 dwelling units per acre. This classification is designed to protect these single-family neighborhoods and maintain their existing character. This Plan also recognizes the potential for this urban residential area to accommodate, through infill development, a more

## Characteristics of a Great Neighborhood

1. Has a variety of functional attributes that contribute to day-to-day life, for current and future residents.
2. Accommodates multi-modal transportation and ensures ongoing access for transit dependent residents to transit.
3. Has design and architectural features that are visually interesting.
4. Is home to strong community and social organizations that reflect the diversity of the area’s residents.
5. Engages the diversity of local residents in discussion of local planning issues.
6. Has local plans that reflect the engagement of the diversity of residents and respond to their concerns.
7. Promotes environmental and social sustainability and responds to climatic demands.
8. Has a memorable character, expressed through both physical features and social life.

Source: *How Do We Create (or Preserve) “Great Neighborhoods”?* Comment on Talen et al. (2015). By Elizabeth Mueller. Journal of the APA, Autumn 2015, Vol. 81, No. 4.

diversified and dense mixture of housing with densities of approximately 6 to 8 dwelling units per acre.

Additionally, the Future Land Use Plan has designated two specific areas as opportunities for future planned residential development. These two areas are described below:

#### *Planned Residential – Area 1*

The existing Maple Lane golf course property and adjacent properties, located along Maple Lane Drive between 15 Mile Road and 14 Mile Road, represents a unique opportunity to accommodate future residential growth. The Maple Lane Golf Course is anticipated to remain in operation in the short term; however, it is likely that the site and adjacent properties will be redeveloped eventually to add an integrated residential housing component. A planned mixture of residential housing types is encouraged in this area, to potentially include small-lot detached homes, duplexes, townhomes and other attached housing units, and active senior housing. Supportive non-residential uses, such as recreational facilities, live/work units, office/work space and convenience commercial establishments may be accommodated as part of a planned development.

Strong pedestrian connections to nearby amenities, including the Dodge Park/15 Mile mixed-use node, Schoenherr/15 Mile mixed-use node, Sterling Heights High School, Baumgartner Park and the Iron Belle Trail are critical to facilitate access and promote healthy living. To this end, pedestrian-oriented enhancements to Maple Lane Road would need to occur in conjunction with new development.

#### *Planned Residential – Area 2*

This classification encompasses the lands along both sides of Schoenherr Road, between Metropolitan Parkway and Utica Road, which includes both the Plumbrook Golf Course property and surrounding properties. Similar to the Maple Lane Golf Course, the Plumbrook Golf Course could be redeveloped or reconfigured in the future to accommodate residential development. Given this area's proximity to existing recreational lands (golf courses, Clinton River park system, etc.) and its location at the crossroads of three regional non-motorized trail systems (Clinton River Trail, Freedom Trail and Iron Belle Trail), a future residential development which caters to an active/recreational lifestyle is recommended. A planned mixture of residential housing types is encouraged in this area to attract persons of all ages, to potentially include active senior housing, small-lot detached homes, duplexes, townhomes, lofts and apartments. Supportive non-residential uses, such as recreational facilities, live/work units, office/work space and convenience commercial establishments may be accommodated as part of a planned development.

Strong pedestrian connections to nearby amenities, including the Schoenherr/17 Mile mixed-use node, Clinton River Trail, Freedom Trail, Freedom Hill County Park are critical to facilitate access and recreational lifestyles.

### ***Multiple-Family Residential***

This land use classification is intended to provide opportunities for more affordable housing and alternatives to traditional single-family detached subdivision development. The demand for multiple-family land is growing, both locally and nationally, as was documented in the Residential/Housing Needs Assessment section of this Master Plan. The multiple-family residential future land use classification seeks to accommodate a diverse stock of housing in the City to ensure housing choice for individuals of all ages and lifestyles.

Multiple-family development may serve as a transitional land use; one which buffers single-family units from more intensive land uses or the impacts associated with transportation corridors. This land use category is most commonly defined by the existence of multiple-family apartment structures, but may also include group living quarters such as independent and assisted living, and convalescent care facilities. In addition, traditional attached single-family development types like townhouses, condominiums, duplexes, bungalow courts, fourplexes, live/work units and courtyard apartments should also be incorporated within this future land use category.

### ***Manufactured Home Residential***

This classification is intended to comprise a group of manufactured housing or mobile homes located on the same property in a park setting. Uses incidental to the manufactured home park such as a sales office and recreational facilities may also be present. Reflective of existing manufactured housing developments, two areas within the City (Rudgate Manor and Sterling Estates) are identified for manufactured home residential usage.

### ***Local Commercial***

This land use designation includes commercial uses intended to meet the daily retail and service needs of the residents of surrounding neighborhoods. Small to mid-scale neighborhood and community commercial uses are appropriate in these designated areas. Such uses may include, but are not limited to, convenience stores, grocery stores, bank branch offices, coffee shops, ice cream stores, video stores, restaurants, dry cleaners and laundries, pharmacies and other types of retail stores.

Local commercial uses may be located on individual sites, or in neighborhood or community commercial centers. Existing local commercial uses tend to be located at and oriented toward major intersections and along major streets (mile roads). Local commercial uses should be designed to relate to the surrounding neighborhood(s) they serve, not just the roads upon which they front.

Retail, office, and residential uses (such as townhomes or upper-story loft units) are appropriate uses to be added to existing local commercial sites throughout the City, but especially those located within a designated mixed-use development node. Intensification of existing local commercial centers, and the inclusion of a residential component in such intensification, will increase the number of residents, creating an increased demand for commercial services. The intensification of existing commercial uses should also create more aesthetically pleasing and pedestrian friendly local commercial centers.

### ***Regional Commercial***

This land use designation includes commercial uses intended to serve a regional population. Regional commercial uses have higher gross floor-area requirements and are often found in large retail centers or in stand-alone buildings. Developers of such regional commercial uses typically cite high levels of visibility and accessibility as a requirement. Because these uses are often destination uses that draw people from a greater distance, more parking is required. Due to the above mentioned factors, regional commercial uses require sites with larger areas than other commercial uses, and should be located along major thoroughfares such as Van Dyke Road or M-59.

Regional commercial developments are generally too large and massive to be incorporated into a neighborhood setting; however, such developments should incorporate pedestrian scale development features where possible. A mix of uses should be encouraged within regional

commercial centers, particularly office use but also including institutional and recreational uses. Regional commercial uses have been planned for appropriate locations within the City, including at the major intersections of Mound Road at M-59, Dequindre Road at 18 Mile Road, Dequindre Road at Metropolitan Parkway, Van Dyke Avenue at 18 Mile Road, and M-59 at Schoenherr Road.

### **Lakeside Village**

Given regional and local shopping center trends and factors, the City of Sterling Heights is concerned about the long-term success of Lakeside Mall. These trends and factors include:

- Nationally, many shopping malls are closing or are on the brink of failure. A recent local example of this trend is the closing of Northland Mall in Southfield.
- Lakeside Mall is facing increased competition from new or planned shopping centers located nearby. This includes The Mall at Partridge Creek, an open air shopping center located 2 miles west on M-59; and a recently announced “bargain center” proposed to be built near the M-59 and I-94 interchange.
- Customer preferences are changing. There is an emerging preference for street-front shopping and to experience “place.”

In response to these challenges, the Lakeside Mall Sustainability Assessment study was completed in September 2015. This study outlines a long-term vision to transform the Lakeside Mall into a mixed-use town center or urban district. Two concept redevelopment plans were prepared to illustrate the potential of the site to accommodate new development and to provide a general direction for a transformation to a fully-functioning mixed-use district. Concept A generally keeps Lakeside Mall in place and provides development opportunities around the perimeter of the mall property. Concept B eliminates the mall concept and instead, incorporates a water feature into the site. Concept B retains the mall anchor stores, but allows for additional development opportunities around the perimeter of the mall property. The **Lakeside Mall Sustainability Assessment Concept A** and **Concept B** are highlighted on the following pages.

The Lakeside Village future land use classification accepts the recommendations of the Lakeside Mall Sustainability Assessment study as the long-term vision for the Lakeside Mall and adjacent properties.

### **Office**

Office uses are planned throughout the City along major roads, but generally not at road intersections. Professional offices, travel agencies, insurance offices, and other types of non-manufacturing or commercial development are appropriate in areas designated for office development. Office development may occur in stand-alone buildings on smaller parcels, or in planned office parks on larger parcels. Secondary uses compatible with office uses may be permitted on the upper stories of office buildings; such uses may include residential dwelling units.

# Lakeside Mall Sustainability Assessment: **Concept A**

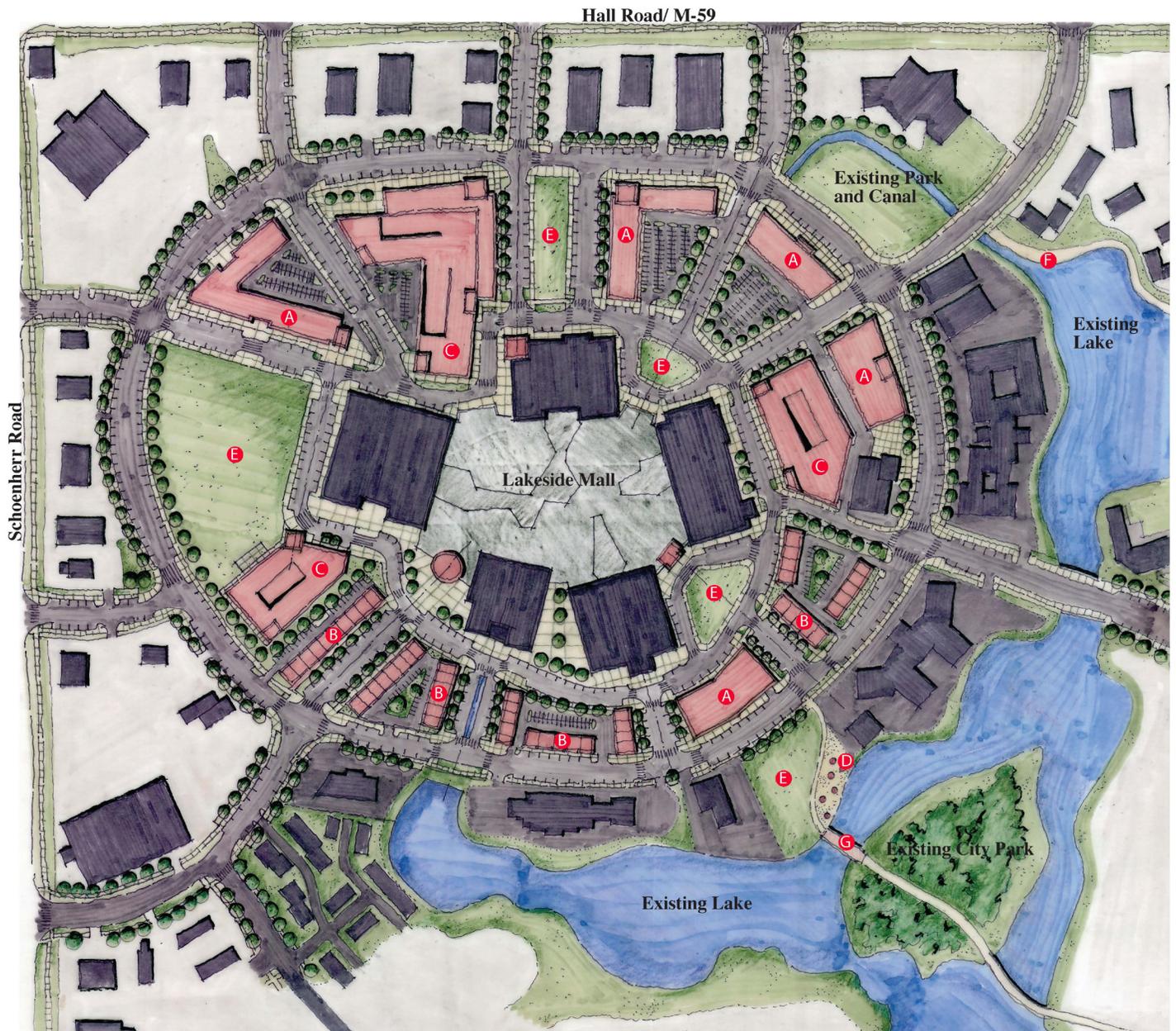
**Keep the mall in place and provide development opportunities around the perimeter.**

## Proposed Elements:

- A** Developments - Options include: Residential, office, institutional, civic, first floor retail, etc.
- B** Higher density residential development: lofts, townhouses, etc.
- C** Parking deck with first floor retail
- D** Urban beach
- E** Greenspace - Active/passive
- F** Canal/water's edge and pedestrian path
- G** Bridge

## Key:

-  New/Infill Development
-  Existing Buildings
-  Civic/Open Space



# Lakeside Mall Sustainability Assessment: **Concept B**

**Eliminate mall concept. Retain anchors while integrating water feature through the site and providing development opportunities around the perimeter.**

## Proposed Elements:

- A** Developments - Options include: Residential, office, institutional, civic, first floor retail, etc.
- B** Higher density residential development: lofts, townhouses, etc.
- C** Parking deck with first floor retail
- D** Urban beach
- E** Greenspace - Active/passive
- F** Canal/water's edge and pedestrian path
- G** Bridge

## Key:

- New/Infill Development
- Existing Buildings
- Civic/Open Space



### ***Traditional Mixed-Use Development***

The Traditional Mixed-Use Development future land use classification identifies key sites or nodes where the City’s placemaking strategy can effectively be implemented. These eleven locations are as follows:

1. Schoenherr/19 Mile
2. Ryan/18 Mile
3. Dequindre/17 Mile
4. Ryan/17 Mile
5. Ryan/15 Mile
6. Van Dyke/17 Mile
7. Schoenherr/17 Mile
8. Dequindre/15 Mile
9. Dodge Park/15 Mile
10. Schoenherr/15 Mile
11. Utica/Van Dyke

The future land use plan envisions these traditional mixed-use development nodes to be characterized by compactness, walkability, connectivity, a mixture of land uses and a mixture of housing types. The geographic size of each is generally one-quarter mile in each direction of the intersection, which represents a walkable area, called a “pedestrian shed”. Over time, each traditional mixed-use development node should include a mixture commercial, office, residential and/or civic uses. The character of development should reflect traditional development principles, including limited front yard setbacks, wide sidewalks, pedestrian-oriented architecture and site amenities, transit accommodations, clustered/attached buildings, multi-story structures, and vehicular accommodations in the rear. Residential uses may be integrated within the upper stories of mixed-use buildings or as stand-alone buildings which are integrated within the non-residential uses. Open spaces should also be integrated within the node in the form of a plaza, commons or park.

#### ***Recommended Node Densities***

It is particularly important in suburban environments that mixed-use developments and nodes contribute a significant residential density to help support the retail and commercial components of the node to succeed. A number of academic studies have examined those elements that make for a successful mixed-use node or district.<sup>31</sup>

Sterling Heights has a traditional suburban land use pattern with densities typically remaining below 8 dwelling units per acre. Successful mixed use nodes will require significantly higher densities within the concentrated areas within a quarter-mile of each node center. These densities may approach 25-30 dwelling units per acre and are reflective of the additional residents within walking distance that will be counted on to support the retail components of these mixed-use areas.

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<sup>31</sup> Brass, Kevin. “Drawing People In: Placemaking and the Density Discussion.” Urban Land. February 29, 2016.

## Qualities of Successful – And Unsuccessful – Traditional Mixed Use Development Projects

### SUCCESSFUL

- A mix of uses
- Connectivity to transportation and infrastructure
- Cohesiveness with long-range community plans
- A strategic vision that features a strong sense of place beyond a standard project

### UNSUCCESSFUL

- A single land use
- A lack of public space and amenities
- Dependence on one mode of transportation, usually the car
- Failure to provide a safe, 24-hour environment

Source: Adapted from Brass, Kevin. "Drawing People In: Placemaking and the Density Discussion." *Urban Land*. February 29, 2016.

### Recommended Node Phasing

The generic phasing strategy illustrated in the figure on the next page can be applied to each of the proposed traditional mixed-use development nodes. These are to be used as general guides and should not be interpreted as rigid construction phasing requirements. These principles are general in nature and are designed to help create a new market or market stability for a product that does not currently exist in Macomb County.

#### **Phase 1: Improved and Expanded Pedestrian Infrastructure**

These are public investments to improve the pedestrian experience for the purpose of encouraging walking and biking. These infrastructure improvements may include widening sidewalks, improving crosswalks, creating on-street parking, and installing bicycle parking. These investments help to signal to investors and lending institutions the City's commitment to creating dense, walkable areas.

#### **Phase 2: Reinforce the Corners**

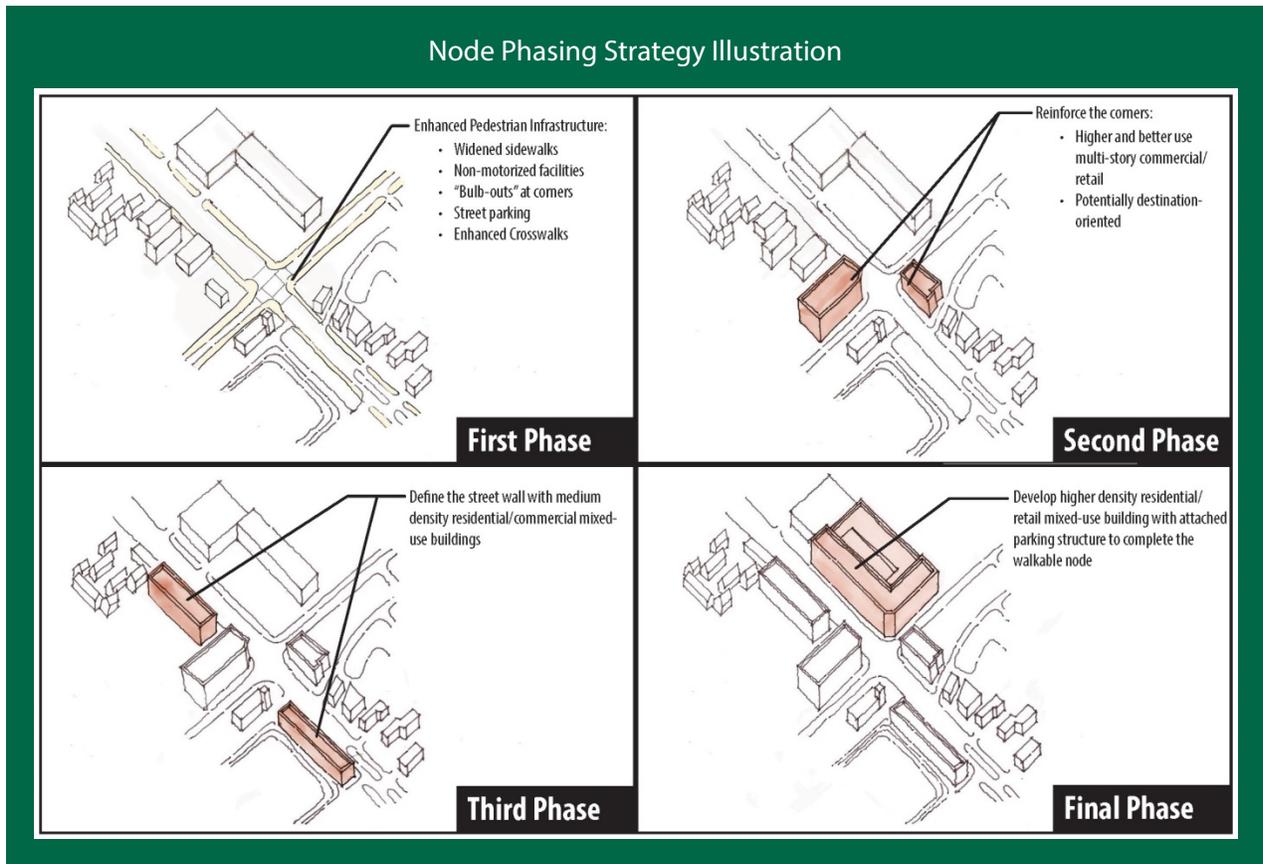
The second phase can focus on improving the immediate corners of a node. These sites provide opportunity for multi-story multiple-use buildings and serve to anchor the node.

#### **Phase 3: Define Street Wall**

Defining the street wall is the private sector equivalent of improving the pedestrian experience. In this case, smaller buildings, which can be residential and commercial mixed-use, bring the built elements that help improve the pedestrian experience – transparency, activity, visual interest, a sense of safety and eyes on the street.

### Final Phase: Increased Density and Parking Structures

This final phase can be thought of as the bonus round – meaning that it is not required for a successful district. A successful mixed-use node will, however, support the demand for increased residential and commercial density, which will potentially trigger a need for a parking structure.

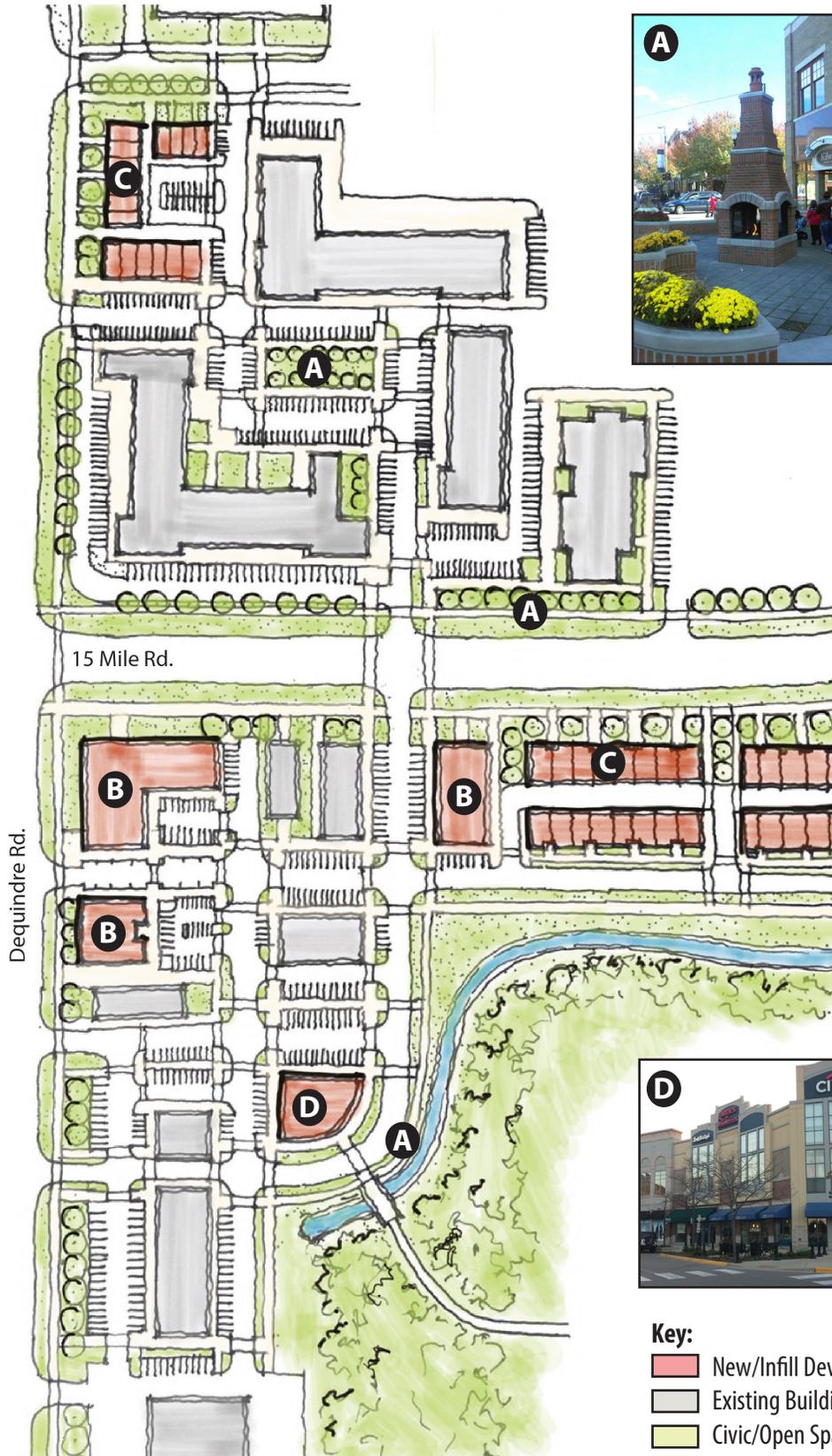


### Node Concept Plans

Specific conceptual plans have been created for five of the ten nodes. These **Traditional Mixed-Use Development Node Concepts** are included on the following pages. Included for each is a plan-view illustration showing how new/infill development buildings and civic/open spaces can be integrated with existing development to form a compact, walkable node. Each concept also features specific development strategies (i.e., uses) and representative imagery which characterizes the recommended uses. For the Dodge Park/15 Mile node, two concepts are presented. The first concept is an initial build-out concept, which presents an initial strategy for applying placemaking enhancements and accommodating new/infill development. The additional build-out concept presents an aggressive, long-term development scenario for the site which builds upon the success of the initial concept.

# Traditional Mixed-Use Development Node Concept: Dequindre/15 Mile

## Node Concept



## Representative Development Imagery:

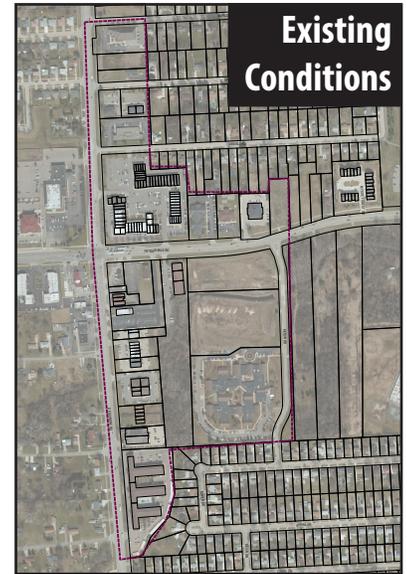


- Key:**
- New/Infill Development
  - Existing Buildings
  - Civic/Open Space

## Development Strategies:

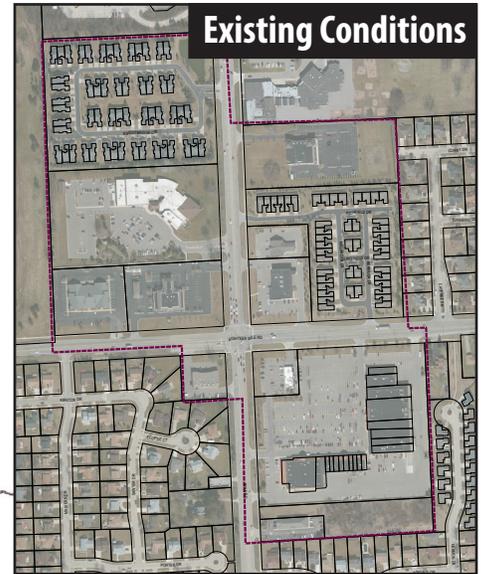
- A** Enhanced Pedestrian Infrastructure
- B** Mixed-Use Housing/Commercial
- C** Multi-Family Townhouse
- D** Multi-Story Commercial

## Existing Conditions

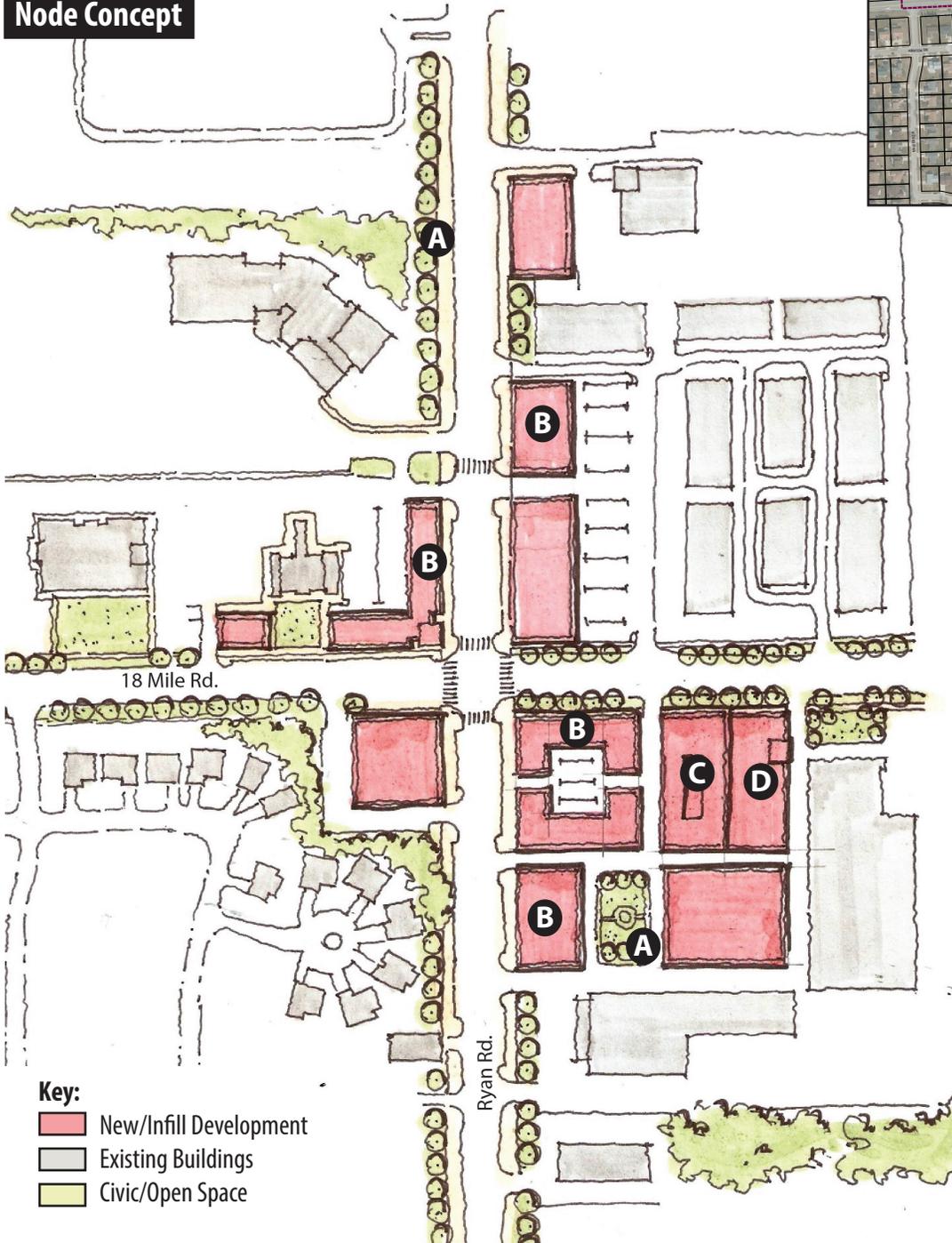


# Traditional Mixed-Use Development Node Concept: Ryan/18 Mile

## Representative Development Imagery:



## Node Concept



## Development Strategies:

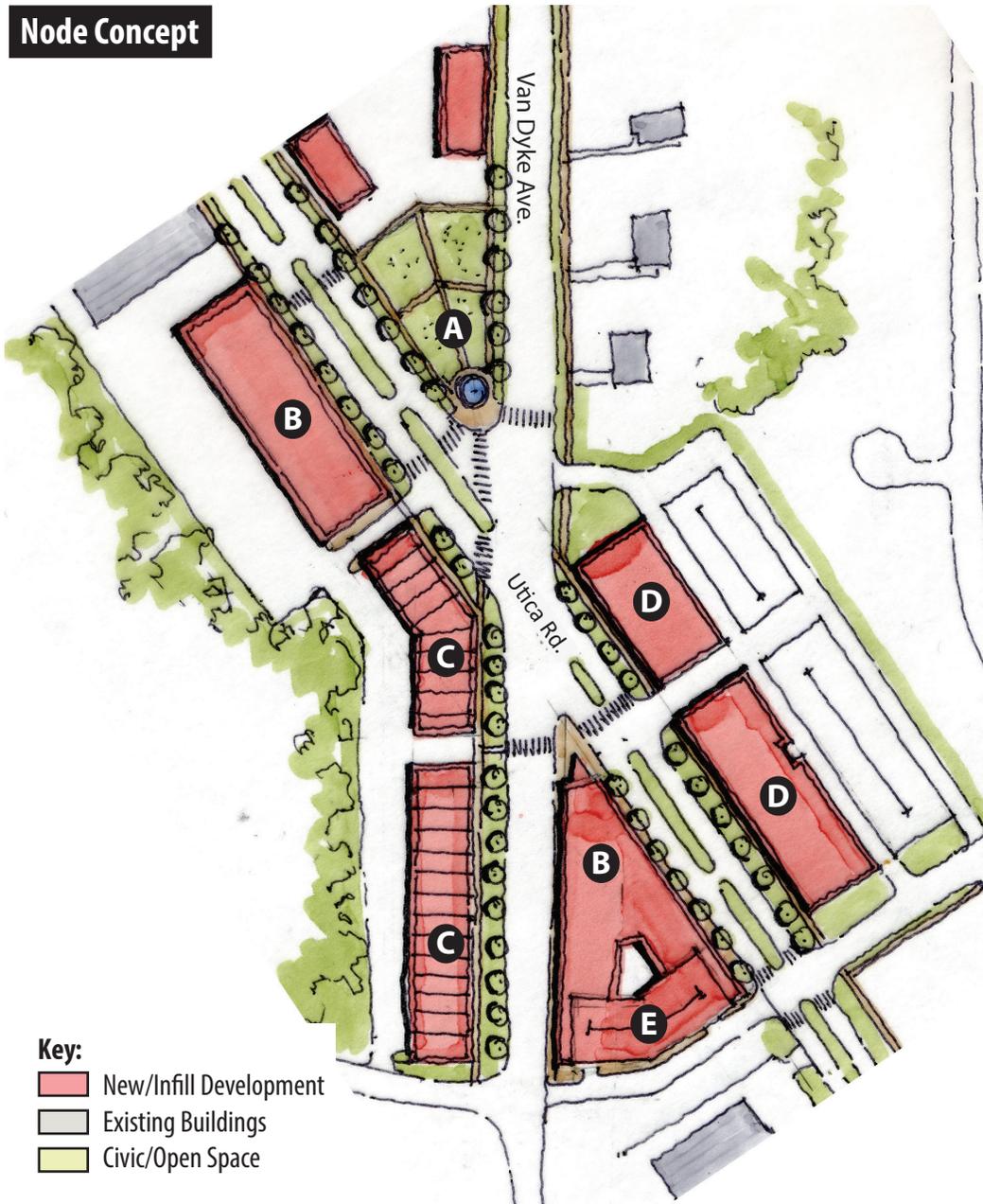
- A** Enhanced Pedestrian Infrastructure
- B** Mixed-Use Housing/Retail
- C** Parking Structure
- D** Multi-Family Housing

# Traditional Mixed-Use Development Node Concept: North Van Dyke CIA District (Utica Road at Van Dyke Ave.)

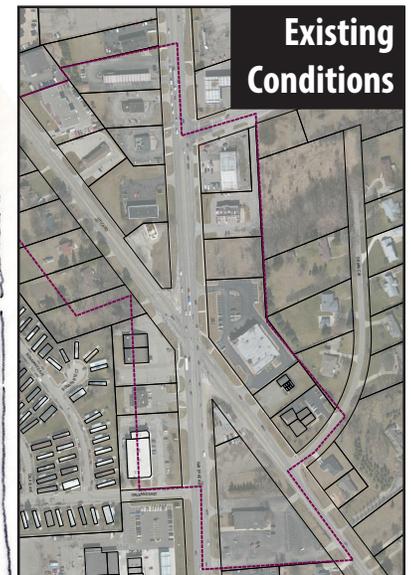
## Representative Development Imagery:



## Node Concept



- Key:**
- New/Infill Development
  - Existing Buildings
  - Civic/Open Space



## Existing Conditions

## Development Strategies:

- A** Enhanced Pedestrian Infrastructure
- B** Mixed-Use Housing/ Commercial
- C** Multi-Family Townhouse
- D** Multi-Story Commercial
- E** Parking Structure

# Traditional Mixed-Use Development Node Concept: Dodge Park/15 Mile

## Initial Build-Out Concept

Representative Development Imagery:



**Development Strategies:**

- A** Enhanced Pedestrian Infrastructure
- B** Mixed-Use Housing/Retail
- C** Multi-Family Townhouse
- D** Multi-Story Commercial

# Traditional Mixed-Use Development Node Concept: Dodge Park/15 Mile

## Additional Build-Out Concept

Representative Development Imagery:



Node Concept



**Development Strategies:**

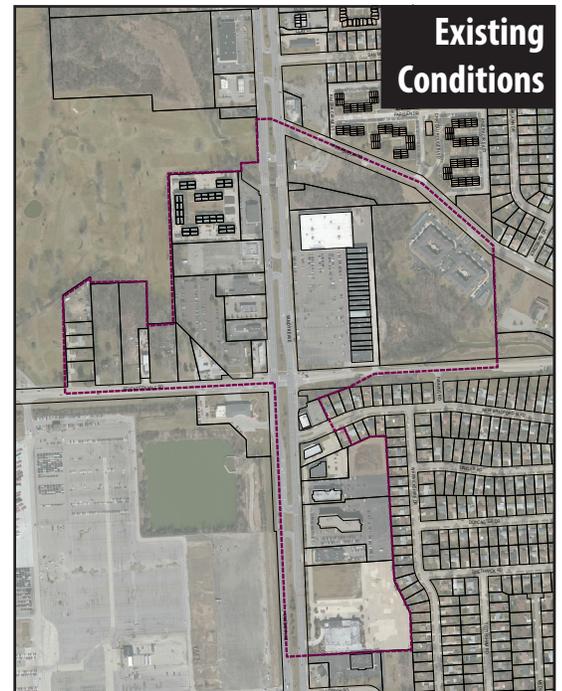
- A** Enhanced Pedestrian Infrastructure
- B** Mixed-Use Housing/Retail
- C** Multi-Family Townhouse
- D** Multi-Story Commercial

**Key:**

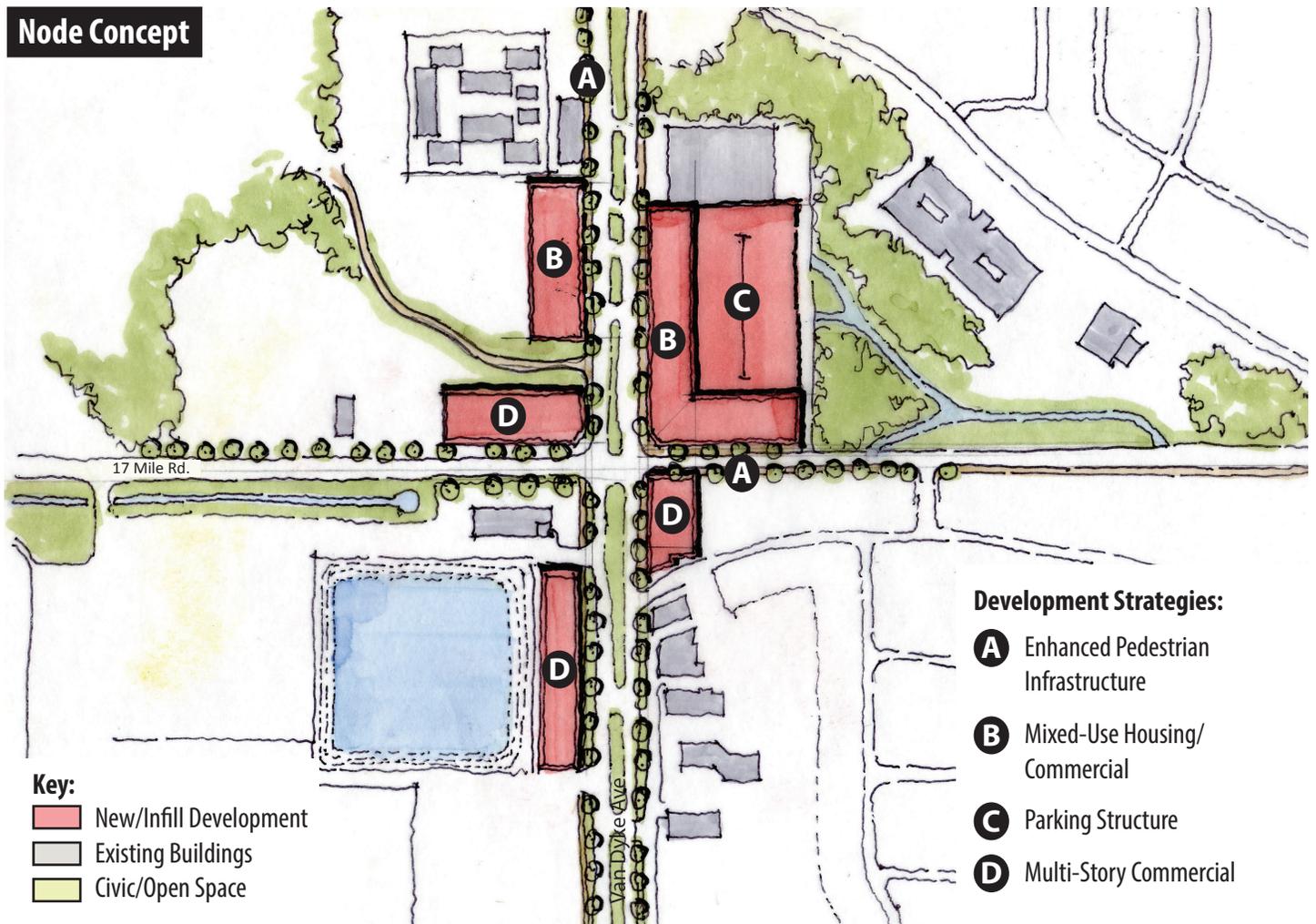
- New/Infill Development
- Existing Buildings
- Civic/Open Space

# Traditional Mixed-Use Development Node Concept: Van Dyke/17 Mile

## Representative Development Imagery:



## Node Concept



## Van Dyke Mixed Use

This future land use category encompasses the Van Dyke Avenue corridor generally between 14 Mile Road and 18 Mile Road. Currently, this segment of the Van Dyke Avenue corridor is comprised primarily of regional commercial uses, including big box retail shopping centers, multi-tenant commercial centers, and stand-alone restaurants, retail stores, automobile-service facilities, office buildings and similar uses. Large parking areas and generous setbacks are common throughout the corridor. The types of uses and current physical characteristics of this corridor are reflective of the opportunity afforded by Van Dyke Avenue's high visibility and traffic volumes, the presence of employees who work in the City's industrial corridor, and the significant customer base found in nearby neighborhoods.

In line with historic and future market demand, it is the intent of this future land use category to permit the continuation of predominantly regional commercial and related land uses within this corridor. However, this Plan outlines numerous recommendations to enhance the corridor's functionality, long-term marketability, access/mobility, and its overall aesthetic appeal:

- Diversify the types of allowable land uses to establish a true mixed-use corridor. In addition to regional commercial uses, this corridor can be enhanced through the integration of office buildings, institutional uses, and residential uses. Residential uses can be incorporated through the allowance of vertical mixed-use (upper story residential units) or through infill development of a higher-density residential nature. Such high density residential development would serve as a transition between non-residential uses along Van Dyke and adjacent single-family residential uses.
- Develop new retail, office and other development "pads" along the road frontage. These pads should feature limited setbacks and should be oriented to the street. In some cases, these development pads could be accommodated within existing large and underutilized parking areas. Other opportunities exist to accommodate development on the interspersed vacant and underutilized lands within the corridor. Intersection reconfigurations as part of the ongoing Van Dyke Avenue reconstruction may also free up the corners of Van Dyke/15 Mile and Van Dyke/Metropolitan Parkway for unique and highly visible mixed-use developments.
- Provide plaza and park areas to break up existing large sites and in conjunction with future mixed-use development.
- Minimize the amount of parking to only that which is necessary to support the proposed uses throughout the year.

### Three Dimensions for Assessing Design Quality

1. **Building Quality** – This involves the engineering performance of a building, which includes structural stability and the integration and robustness of systems, finishes, and fittings.
2. **Functionality** – This concerns the arrangement, quality, and interrelationship of space, and the way in which the building is designed to be useful.
3. **Impact** – This involves the building's ability to create a sense of place and have a positive effect on the local community and environment; it also encompasses the wider effect the design may have on the arts of building and architecture.

Source: *Design Values: Measuring the Economic Value of Investing in Architecture and Design*. By Marc A. Sallette. Urban Land. November/December 2005.

- Promote the creation of a pedestrian friendly site plan that separates vehicles from pedestrians.
- Reconfigure circulation aisles on existing commercial sites to function as streets and to define blocks throughout the sites. Additionally, seek to connect the internal street system to the existing streets found in adjacent developments.
- Establish a uniform aesthetic for private development which builds upon the design amenities constructed as part of the recent Van Dyke Avenue road project.

### **Medical/Office**

The medical/office future land use classification has been established to accommodate the Beaumont Hospital property found on the east side of Dequindre Road as well as adjacent vacant properties along Dequindre Road and Dobry Drive. Recommended uses for this classification include hospitals, medical clinics, laboratories, medical supply, pharmacies, and professional offices, as well as related commercial uses which may support the primary medical uses and facilities.

High quality site and design standards should be established to ensure a uniform aesthetic character for the area. To promote healthy living and the protection of adjacent environmental habitats, the area should be characterized by pedestrian-oriented design and the integration of sidewalks and pedestrian connections to adjacent uses, recreational areas, and neighborhoods. Appropriate buffer zones should be utilized to mitigate negative effects on unique natural features (wetlands, etc.) as well as adjacent residential developments.

### **Industrial**

The City's planned industrial lands are concentrated within an approximately 6 mile long by 1 mile wide corridor framed by Mound Road and Van Dyke Avenue (the Sterling Innovation Corridor). The industrial future land use classification is intended to permit traditional industrial uses including large manufacturing operations (such as the Fiat Chrysler, Ford, General Dynamics, and BAE Systems), research and development plants, hi-tech industries, smaller light industrial operations inside and outside of planned industrial parks, warehousing, light manufacturing, and other common industrial uses. Among other smaller locations which would support future infill industrial development, the former Sunnybrook Golf Course property represents a key redevelopment opportunity to support new industrial manufacturing and technology use, along with supportive uses (offices, lodging, etc.).

The industrial sector of the economy is continually evolving. It is important that the industrial land use category permit not only traditional manufacturing uses, but also permit and encourage industries of the future to ensure that Sterling Heights retains and enhances its local employment base. Emerging industries such as information technology, bio-technology, and life sciences are more environmentally benign, highly productive, energy efficient, technologically savvy, and globally competitive. Sterling Heights offers an ideal location for industries such as these.

### **Innovation Support**

The innovation support future land use category generally encompasses the properties fronting the west side of Mound Road, between 14 Mile Road and south of 18 Mile Road. Mound Road, a major north-south transportation artery, frames the City's industrial corridor to the east. Thus, the lands along the east side of Mound Road are predominantly industrial in character and are planned for industrial use. The lands along the west side of Mound Road, within this classification, consist of a

variety of residential dwellings, various retail service, auto-related operations, limited business and professional offices, light industrial uses (some with outdoor storage), and intermittent vacant lots.

Several challenges to planning this segment of Mound Road include limited individual lot depths and widths, lack of space for screening where adjacent to residential areas, high traffic volumes, a poor streetscape aesthetic, excessive curb cuts, and limited pedestrian infrastructure. This innovation support future land use category recognizes the role of this mixed-use corridor and seeks to facilitate incremental enhancements to address the challenges noted above.

The lands along the west side of Mound Road are closely tied to the City's industrial corridor which fronts the east side of Mound Road. The success of the commercial uses in the corridor is dependent upon the employee base of the industrial corridor. Office and light industrial uses on the west side of Mound Road thrive on proximity to the major industrial operations across the road. Given this, it is the intent of the innovation support classification to establish a well-planned mixed-use corridor which supports the success and viability of the City's industrial corridor. Recommended land uses include light industrial (no outdoor storage), high-technology/innovation uses, commercial and office uses. Multiple-family residential uses may also be appropriate in a limited manner. The commercial land uses should be concentrated at the key intersections (14 Mile, 15 Mile, Metropolitan Parkway and 17 Mile). Between these commercial intersections, an effective mix of land use should be encouraged. To facilitate appropriate future development and redevelopment, the consolidation of smaller lots should be encouraged so as to allow for larger sites and to accommodate buffer zones. To enhance non-motorized circulation, pedestrian linkages via sidewalks and bike paths should be provided to the City's industrial corridor and adjacent residential neighborhoods.

### **Civic Center**

The civic center future land use category has been established to encompass the governmental "center" of Sterling Heights located at the intersection of Utica Road and Dodge Park Road. This area features numerous municipal and civic related facilities, including the city hall, police/fire station, recreation center, senior center, library, Dodge Park and Stevenson High School. This future land use plan envisions additional municipal and civic facility development within this district in the future to serve the City's growing population and to ensure high quality services for its citizens.

No specific future land use classification has been established to encompass public and semi-public facilities located outside of the civic center district which support the surrounding residential neighborhoods. Examples of such facilities include public schools, post offices, places of worship, fraternal organizations, fire stations, and utility substations. Instead of being designated as a specific classification, the future land use classification of these facilities and properties is reflective of the classification of the surrounding neighborhood or district. Future public and semi-public facilities which are necessary to serve the citizens of Sterling Heights should be appropriately integrated into the neighborhood fabric through proper site planning principles, including generous screening and buffering where adjacent to residential uses.

In the event that an existing public or semi-public facility within a residential neighborhood closes or becomes available for private development, this Plan recommends that the site be developed for residential use consistent with the existing neighborhood character. Through a mechanism such as planned unit development (PUD), such a project may include a more diverse mixture of housing types at a somewhat higher density than the surrounding neighborhood. Another alternative would be the

conversion of an abandoned public site/property for recreational use as a new neighborhood park or park expansion.

### ***Parks/Open Space***

This category includes a variety of public or private land, recreation facilities, and natural resources such as floodplains, woodlands or wetlands which should be preserved. The maintenance and development of these properties and facilities is expected to satisfy the local recreation needs of the residents of the City. Continued park development and natural features preservation will help ensure that Sterling Heights retains its natural beauty and desirability.

### ***Transitional Land Use***

One transition land use area has been identified on the Future Land Use Plan to serve as a flexible use area. This area, located between Mound Road and Merrill Road in the northern portion of the City, is a location where detached single-family residential dwellings are currently located, but should be phased out over time. On the west edge of this area, many of the parcels (which directly front Mound Road) have already been developed for commercial or office use. The west edge of this area is adjacent to the City's industrial corridor. This Plan envisions that the existing single-family detached homes will remain for the short term. However, in line with market demand and timing, this area is recommended to transition over time to more intensive land use. Such future land use may include a mixture of multiple-family residential, office and light industrial use. Properties which front Mound Road may additionally support commercial use.

## **Transportation System Plan**

This Sterling Heights Master Plan Technical report describes existing conditions for transportation and includes a broad analysis of and recommendations for roads, non-motorized transportation and public transit. These recommendations are centered around two key principles:

1. Expanding the City's non-motorized network; and,
2. Improving public transit routes both within Sterling Heights and routes connecting to regional job centers.

### ***Non-Motorized Network Recommendations***

Concurrent with the development of this Master Land Use Plan, the City is also developing a Parks, Recreation and Non-Motorized Master Plan. Related to non-motorized transportation infrastructure, the City has established an aggressive long-term strategy for improvements, which is described herein. This long term non-motorized transportation strategy is also illustrated on the **Parks & Non-Motorized Facility Improvements Map**.

The City is committed to continuing to improve connectivity, mobility and safety within the City of Sterling Heights in order to provide transportation choices, recreation, contribute to placemaking, economic development, and the health of residents.

#### ***Sidewalks and Sidepaths***

A high priority element for enhancing connectivity and walkability within the City is to systematically continue to complete gaps in the sidewalk/sidepath system along the major road corridors. A number of priority sidewalk gaps are identified within the 5-Year Capital Improvements Program (included within the Parks, Recreation and Non-Motorized Master

Plan) and focus on: gaps adjacent to City parks; short segments, which, when completed, will connect into a large network of completed sidewalks and trails; and, priorities identified by residents that provided input into the Plan.

# Action Program Map Parks & Non-Motorized Facility Improvements

## Proposed Parks Improvements:

- City Center/ Nature Center/ Senior Center/ Clinton River Improvements
- ◆ Neighborhood and Major Park Improvements
- ▲ Dog Park

## Proposed Non-Motorized Improvements:

- Shared Use Trail Extensions
- Designated Pedestrian/ Bike-Oriented Street
- Mid-Block Crossing
- Pedestrian Bridge
- Sidewalk Gap Priorities
- Canoe/Kayak Facilities

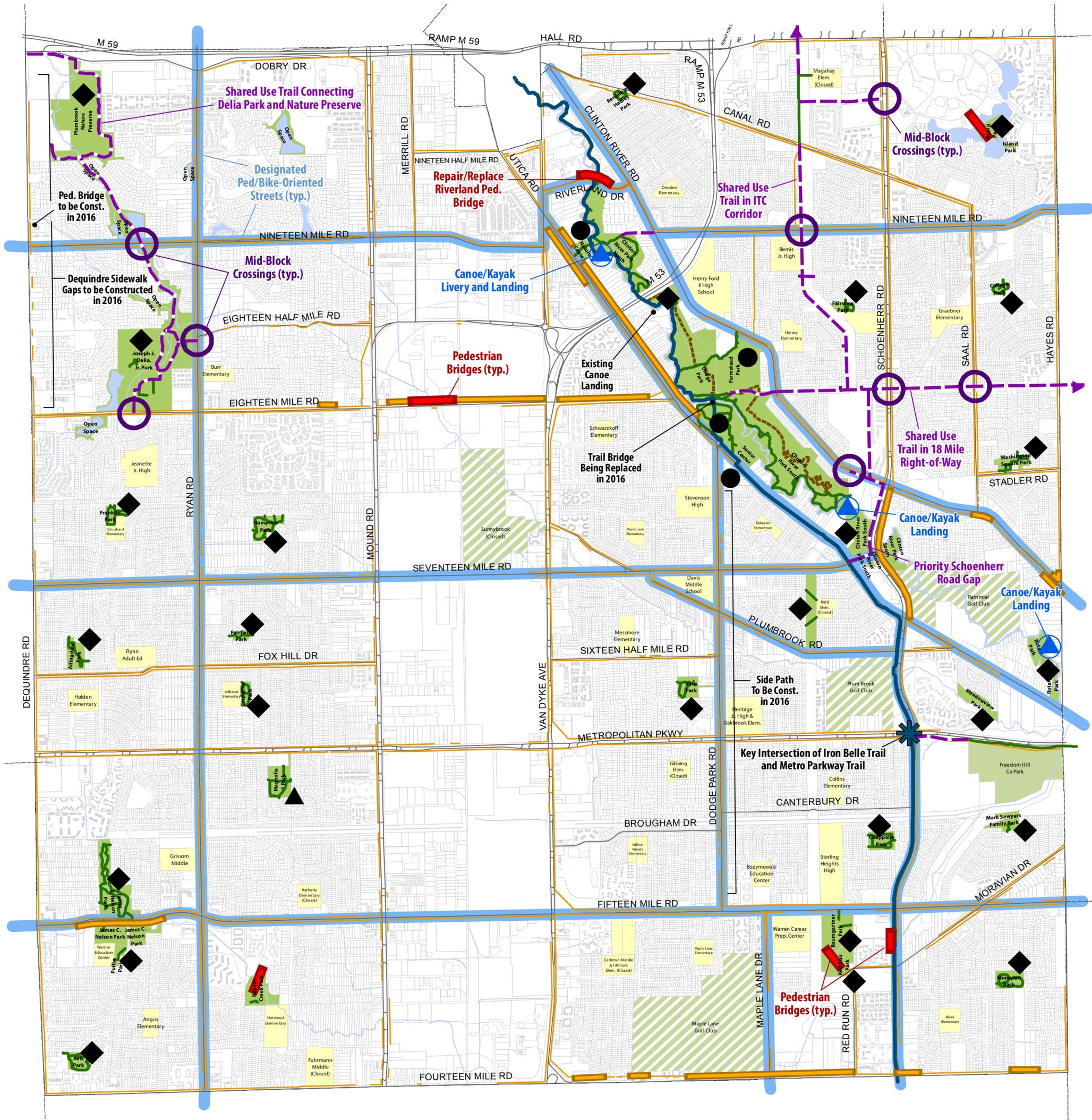
## Existing Parks Facilities:

- City Park
- Public School
- County Park
- Private Golf Course

## Existing Non-Motorized Facilities:

- Existing Iron Belle Trail Route
- Existing Shared Use Trails
- Existing Sidewalks/Safety Paths (Along primary roads)
- Existing Mountain Bike/Hike Trails

September 2, 2016  
0 0.25 0.5 1 Miles NORTH



**Parks, Recreation and Non-Motorized Master Plan 2017-2021**

**CITY OF Sterling Heights**  
Innovating Living

**WADE TRIM**  
livingLAB:

Archive DB Colliers

### Iron Belle Trail

Michigan's Iron Belle Trail routes through the City of Sterling Heights for more than 7 miles via Schoenherr Road, Utica Road and the Clinton River Park Trail. This is a significant and exciting asset to have been selected to traverse through Sterling Heights. Recommendations included in the 5-Year CIP related to the Iron Belle route within the City focus on improving the surface of the route to make it a consistent width and material (10' wide asphalt or concrete), and including a pedestrian bridge over the Red Run Drain near Schoenherr. Recommendations also include elevating the pedestrian treatments at the major road crossings to not only improve safety but also assist in branding and wayfinding, and implementing wayfinding and route confirmation signs.

### Shared Use Trails and Mid-Block Crossings

Shared use (peds and bikes) trails are proposed in the Parks, Recreation and Non-Motorized Master Plan including 4 significant connections:

- Delia Park to Plumbrook Nature Preserve Trail Connection
- ITC Corridor from Hall Road to Clinton River Road including connections to Lakeside Mall, Bemis, Browning, Harvey, and Havel Schools, residential neighborhoods and the Clinton River Path system.
- 18 Mile Vacant Right-of-Way from Hayes Road into the Clinton River Path system
- Schoenherr Road gap between Clinton River Road and Utica/Seventeen Mile Road to provide a north south connection to and from the Iron Belle Route and the Clinton River Path system

Each of these additions includes locations where mid-block crossings (as opposed to at signalized intersections) would need to be considered in order to safely facilitate predictable crossings for peds/bikes. Treatment details will be unique to each location and will be determined during design but could include pavement markings, signage, pedestrian islands, curb extensions, stop lines, lighting, rapid flash beacons, HAWK signals, etc.

### Designated Ped/Bike Oriented Streets

Several road corridors within the City have been highlighted as corridors that are Ped/Bike Oriented. These are corridors where the needs of ped/bikes should be accentuated and where a lower level of service for vehicles may be acceptable in order to provide better mode balance. These include:

- Ryan Road
- Dodge Park Road
- Schoenheer Road (14 Mile to Utica Road – Iron Belle Trail route)
- Maple Lane Drive
- Fifteen Mile Road
- Seventeen Mile Road
- Nineteen Mile Road
- Riverland Drive

- Clinton River Road
- Utica Road
- Plumbrook Road

This designation recommends that, when road improvements are being planned and designed, the needs of pedestrians and bicyclists should be accentuated and design elements to increase safety and comfort should be considered. Treatment details will be unique to each corridor and determined during design but could include elements such as narrower vehicular lane widths, mid-block crossings, refuge islands, wide paved shoulders, on-street, protected bike lanes, wide sidewalks, tree plantings, medians, bioswales, lighting, respite, etc.

#### Priority Amenities

There are a number of amenities proposed to enhance the comfort and safety of non-motorized users and encourage greater use of a connected network. These elements include:

- A comprehensive wayfinding signage system
- Bike fix it stations at key locations
- Bike rental at/near Dodge Park
- Secure and convenient bike parking at public parks, public buildings, schools, retail destinations, places of employment and major transit stops

### **Transit**

The Regional Transit Authority (RTA) was created by the Michigan Legislature through Public Act No. 387 of 2012. A 10-member board that is appointed for three-year terms by the county executives of Wayne, Oakland and Macomb counties, the chair of the Washtenaw County Board of Commissioners, the Mayor of Detroit, and the Governor of Michigan governs it. The Governor's appointee serves as chair, without a vote.

The purpose of the RTA is to plan for and coordinate public transportation in the four-county region, including the City of Detroit, and to deliver rapid transit in a region where none exists. It is the entity through which transit providers must apply for state and federal funds, and through which those funds are allocated to providers. The RTA is also responsible for developing a Regional Master Transit Plan to guide present and future service and is empowered to put funding questions on the ballot for public vote, the first of which is a 1.2 mill property tax millage scheduled for November 2016. The typical property would pay approximately \$8 per year to fund the RTA.

The Regional Transit Master Plan is designed to reform the network of transit providers so that riders are provided with improved and modern service with reduced wait times; riders are connected with destinations; and to allow those with mobility issues (seniors and people with disabilities) to gain more independence. Other long-term (all are 20 year projections) economic benefits for Macomb County include an estimated 14,000 new jobs created, a \$1.4 billion increase in gross domestic product and an estimated \$1 billion increase in real personal income.

Regionally, 92% of all jobs are not reachable in less than 60 minutes using transit. Though Sterling Heights is a regional job center, transit connections are lacking for a job center. Sterling Heights will benefit from the RTA in very defined ways: an improved cross-county connection via Van Dyke and 15

Mile Road; a Commuter express route along M-59 that provides connection to the Airport Express station at Gratiot and M-59; and, new local bus service on Dequindre Rd. The cross-county connections will be operated by SMART with capital improvements for stations, stops and additional busses paid for by the RTA. The RTA will also subsidize increased service along these routes. The M-59 Commuter Express Route will run all day during the week and will connect Sterling Heights with Pontiac, Troy, Utica and Mt. Clemens.

## **Roads**

The Sterling Heights Department of Engineering and Department of Public Works are responsible for design, repair and maintenance of local roads within the City. Van Dyke (M-53) is under the jurisdiction of the Michigan Department of Transportation (MDOT), while major roads such as Metro Parkway and the mile roads are under the jurisdiction of the Macomb County Road Commission. The road network, as discussed previously in the non-motorized transportation section, needs to accommodate all users. While not every road is appropriate for bicycle and pedestrian use (Van Dyke Road, for example), future road improvements need to take into account non-motorized users accordingly. The non-motorized plan has identified a number of key non-motorized corridors. The City's Capital Improvements Plan and road maintenance program need to include pedestrian safety improvements like crosswalks and signals which may include Rectangular Rapid Flash Beacons (RRFB), HAWK signals or other signalized and signed crossings. Priority for road improvement projects should be given to those projects which will increase pedestrian and non-motorized access and connectivity within the City.

## **Complete Streets and Vision Zero**

The City adopted a Complete Streets resolution in 2012 and has worked to provide access for all users. This Master Land Use Plan further clarifies specific actions necessary to develop a complete street network within the City. An additional step the City should undertake is to adopt a Vision Zero policy, a policy which aims to completely eliminate traffic-related fatalities. A number of other communities across the nation and in Michigan have already adopted these policies, which guide and inform road design, engineering and traffic enforcement decisions.

## **Parks and Recreation Plan**

As noted above, the City is developing a Parks, Recreation and Non-Motorized Master Plan concurrent with the development of this Master Land Use Plan. Related to parks and recreation, the City has established an aggressive strategy for improvements. Specific improvements are listed in the Parks, Recreation and Non-Motorized Master Plan's 5-year Capital Improvements Schedule. The key parks and recreation improvements are summarized below. Additionally, the City has announced the Recreating Recreation initiative, which seeks to leverage the City's existing natural resource assets to create a City that provides its residents with year-round recreational opportunities. This initiative will include an opportunity for Sterling Heights residents to vote (in the Fall of 2016) on a dedicated parks and recreation millage. If approved, the millage would deliver a diverse mix of recreational opportunities to the City's 130,000-plus residents.

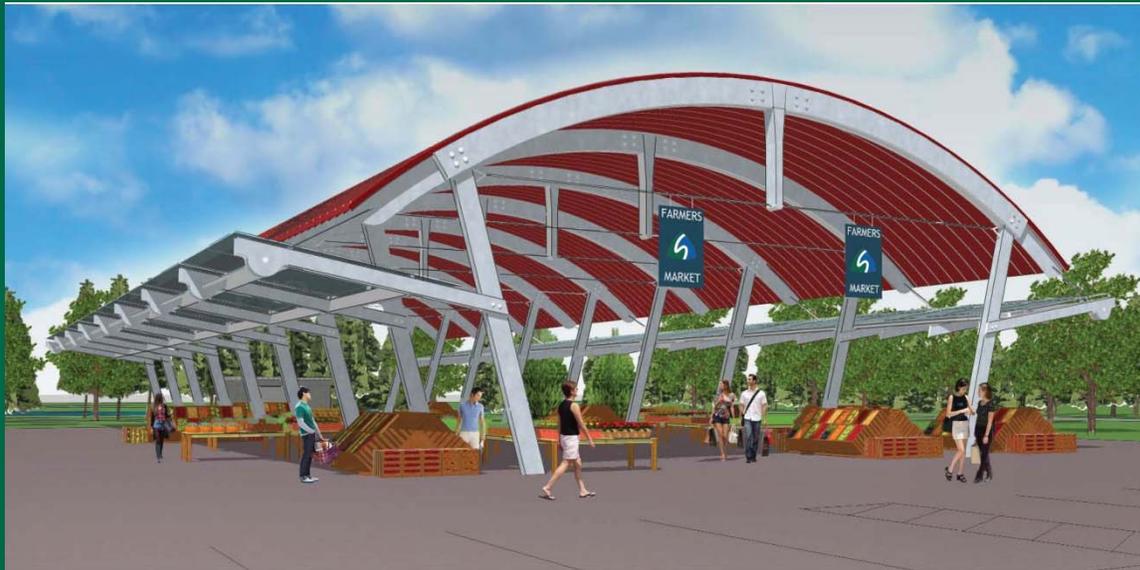
## **City Center, Nature Center, Senior Center and Clinton River Improvements**

Located in the heart of the City's civic center, several large-scale recreational facility improvements are proposed which would significantly enhance the recreational quality of life for the City's residents. These proposals include:

- Construction of a new 122,000 square foot community center that would be a draw for all residents participating in the wide-array of cultural and recreational programming produced by the Parks & Recreation Department. This facility is proposed to be located across from Sterling Heights City Hall.
- A permanent facility for the highly successful Dodge Park Farmers Market, proposed to be located at Dodge Park.
- A refrigerated ice-rink for winter enthusiasts seeking a place to enjoy outdoor skating, proposed to be located at Dodge Park.
- An outdoor sprayground that will provide families with a great place to cool down, proposed to be located at Dodge Park.
- A multi-use skatepark that will be a unique recreational opportunity for the more adventurous crowd, proposed to be located at City Hall.
- Facilities for canoe and kayak enthusiasts to enjoy the best stretch of the Clinton River in Macomb County.
- Access for City residents to enjoy an aquatics option for year-round water activity.
- A mini turf soccer field for those who enjoy playing the world's most popular sport, proposed to be located at Dodge Park.
- An enclosed bocce ball court, proposed to be constructed adjacent to the existing Senior Center.



Community Center Perspective 2



George J. Hartman  
Architects, P.C.

Farmer's Market Perspective

### ***Neighborhood and Major Park Improvements***

A broad array of capital improvements are also proposed for nearly every one of the City's neighborhood parks and major parks. Major park improvements include enhanced internal vehicular and pedestrian connections and athletic field renovations at Delia Park, field renovation and lighting at Baumgartner Park, replacement of the existing pavilion/restroom at Dodge Park, and the renovation of the existing pavilions/restrooms at Farmstead Park, Nelson Park and Delia Park. Typical neighborhood park improvements include new signage, park path resurfacing, athletic court resurfacing, new play structures, landscaping, site amenities and accessibility improvements.

With no currently existing facilities, a new dog park is proposed to be constructed within the City, potentially within Magnolia Park.

## Implementation Plan

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Throughout the Master Land Use Plan, a variety of action oriented recommendations are laid out as a means to accomplish the City's vision for the future. The adoption of the Master Land Use Plan is but one part of the community planning process. Realization or implementation of the recommendations of the Plan can only be achieved over an extended period of time and only through the cooperative efforts of both the public and private sectors. Implementation of the Plan may be realized by actively pursuing a myriad of activities. From a general perspective, these include, but are not limited to:

- Continuing public involvement processes
- Auditing, analysis, revisions, and adoption of existing or new City ordinances or regulations pertaining to continued development and redevelopment within the City
- Supporting and ensuring enforcement and consistent administration of in-place policies, ordinances and regulations
- Providing a program of capital improvements and adequate, economical public services to encourage continued community growth
- Developing and then prioritizing municipal programs and joint public/private partnerships

This chapter details various strategies for implementing the recommendations of this Plan.

### Zoning Plan

Zoning regulations are adopted under the local police power granted by the State for the purpose of promoting community health, safety, and general welfare. Such regulations have been strongly supported by the Michigan courts, as well as by the U.S. Supreme Court. Zoning consists of dividing the community into districts, for the purpose of establishing density of population and regulating the use of land and buildings, their height and bulk, and the proportion of a lot that may be occupied by them. Regulations in different kinds of districts may be different. However, regulations within the same district must be consistent throughout the community.

The intent of zoning is to assure the orderly development of the community. Zoning is also employed as a means of protecting property values and other public and private investments. Because of the impact that zoning can have on the use of land and related services, it should be based on a comprehensive long range community plan.

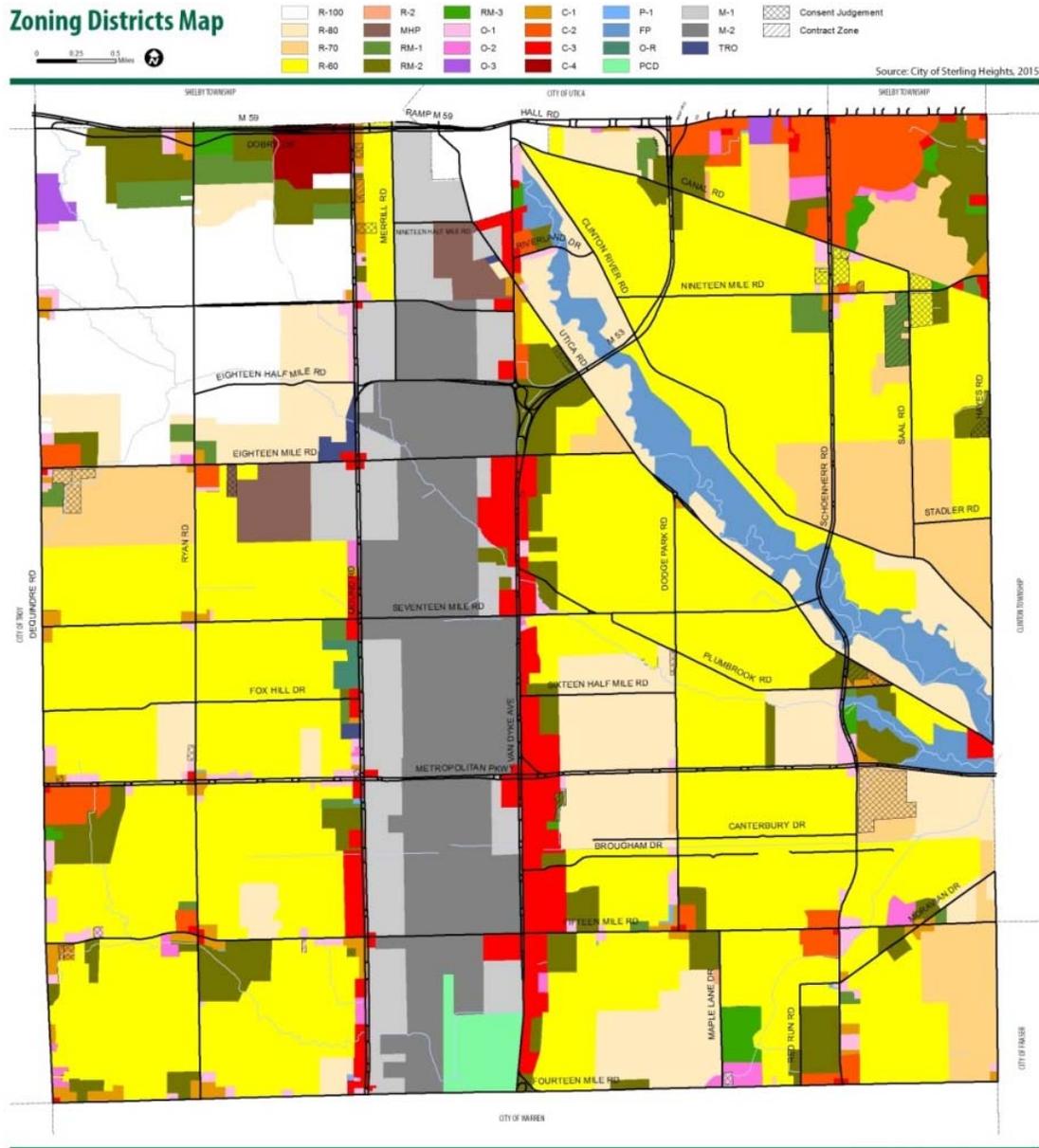
Zoning is an effective tool not only for the implementation of the Plan, but also benefits individual property owners. It protects homes and investments against the potential harmful intrusion of business and industry into residential neighborhoods; requires the spacing of buildings far enough apart to assure adequate light and air; prevents the overcrowding of land; facilitates the economical provision of essential public facilities; and aids in conservation of essential natural resources.

The City of Sterling Heights Zoning Ordinance (Ord. No. 278) is a regulatory tool that guides land use and development within the City. As stipulated by the Michigan Zoning Enabling Act, Public Act 110 of 2006, as amended, the zoning ordinance must be based upon a master plan. Therefore, this Master Land Use Plan, by setting forth the long term vision of the City, provides the basis for the Sterling Heights Zoning Ordinance, which contains the rules that govern the path to that vision. As required by

the Michigan Planning Enabling Act, the following is an explanation of the relationship between the future land use classifications presented in this Master Land Use Plan and the zoning districts established in the City of Sterling Heights Zoning Ordinance. Recommended revisions to the City's zoning ordinance and zoning map, based on the recommendations of this Master Land Use Plan, are also outlined in this section.

### Current City Zoning Districts

Presently, the City's Zoning Ordinance and **Zoning Districts Map** have established 24 total zoning districts. There are five one-family residential districts (R-100, R-90, R-80, R-70 and R-60), a two family residential district (R-2), a mobile home park district (MHP), three multiple family districts (RM-1, RM-2 and RM-3), five office districts (O-1, O-2, O-3, O-R and TRO), four commercial districts (C-1, C-2, C-3 and C-4), a vehicular parking district (P-1), a flood plain district (FP), a planned center district (PCD), and two industrial districts (M-1 and M-2). (Please note that, although the R-90 district is established within the zoning ordinance, there are no lands presently zoned R-90 within the City.)



### ***Relationship Between the Future Land Use Categories and the Zoning Districts***

In total, 18 future land use categories have been established in this Master Land Use Plan. (These categories were shown on the **Future Land Use Map** on page 148 and were fully described in the previous chapter.) **Table 17** summarizes the relationship between the 18 future land use categories and the 24 zoning districts. As an example, the intent of the Estate Residential future land use category, as established in this Plan, is effectively accomplished through any one of three existing zoning districts: the R-100, R-90 or R-80 District.

In several instances, future land use categories which have been established in this Plan do not specifically relate to an existing zoning district. In these cases, it is recommended that new zoning districts be established by the City to effectively accomplish the recommendations of that particular future land use category.

A more detailed explanation of the relationship between the future land use categories and zoning districts is provided below.

#### ***Estate Residential***

The Estate Residential future land use category encompasses the neighborhoods in the northwestern portion of the City (north of 18 Mile Road and west of Mound Road). Typical lot sizes are 10,000 square feet or larger with approximate densities of 4 dwelling units per acre or less.

Relationship to existing zoning districts:

- R-80, R-90 or R-100 one-family residential zoning

#### ***Suburban Residential***

The Suburban Residential future land use category encompasses the majority of the City's neighborhoods (with the exception of the northwestern and southeastern corners of the City). Typical lot sizes range from 7,200 square feet to 10,000 square feet, with densities ranging from approximately 4 to 6 dwelling units per acre.

Relationship to existing zoning districts:

- R-60 or R-70 one-family residential zoning

**Table 17**  
**Zoning Plan: Future Land Use Categories and Zoning Districts Comparison**  
**City of Sterling Heights, 2016**

Future Land Use Category	Zoning District																									
	R-100 One Family Residential	R-90 One Family Residential	R-80 One Family Residential	R-70 One Family Residential	R-60 One Family Residential	R-2 Two Family Residential	MHP Mobile Home Park	RM-1 Multiple Family Low Rise	RM-2 Multiple Family Low Rise	RM-3 Multiple Family Low Rise	O-1 Business and Professional	O-2 Planned Office	O-3 Office Commercial	C-1 Local Convenience Service	C-2 Planned Comparison Business	C-3 General Business	C-4 Multi Use Business	P-1 Vehicular Parking	FP Flood Plain Area	Q-R Office Research	PCD Planned Center District	M-1 Light Industrial	M-2 Heavy Industrial	TRO Technical Research Office	New Zoning District or Amendments Required	
Estate Residential	X	X	X																							
Suburban Residential																										
Urban Residential																										
Planned Residential Area 1																										X
Planned Residential Area 2																										X
Multiple Family Residential																										
Manufactured Home Residential																										
Local Commercial																										X
Regional Commercial																										X
Lakeside Village																										
Office																										
Traditional Mixed-Use Development																										X
Van Dyke Mixed Use																										X
Medical Office																										X
Industrial																										X
Innovation Support																										X
Civic Center																										X
Parks/Open Space																										X
Transitional Land Use																										X

### Urban Residential

The Urban Residential future land use category has been established to encompass the neighborhoods within the southeastern portion of the City, generally south of the Sterling Relief Drain and between Van Dyke Road and Hayes Road. Typical lot sizes range from 7,200 square feet to 10,000 square feet, with densities ranging from approximately 4 to 6 dwelling units per acre. Through infill development, a more diversified and dense mixture of housing with densities of approximately 6 to 8 dwelling units per acre could also be accommodated.

Relationship to existing zoning districts:

- R-60 or R-70 one-family residential zoning
- R-2 two-family residential zoning
- RM-1 or RM-2 multiple family residential zoning (low rise)

### Planned Residential

Two areas of Planned Residential development are proposed on the Future Land Use Plan. These include: the area along Maple Lane Drive, between 15 Mile Road and 14 Mile Road, which includes the Maple Lane Golf Course; and, the lands along both sides of Schoenherr Road, between Metropolitan Parkway and Utica Road, which includes both the Plumbrook Golf Course property and surrounding properties. Both areas are designed to accommodate a planned mixture of residential housing types, to include small-lot detached homes, duplexes, townhomes, other attached units, lofts, apartments, and active senior housing. Supportive non-residential uses could also be accommodated as part of a planned development.

Relationship to existing zoning districts:

- No zoning district exists which specifically relates to this future land use category. The closest existing zoning category may be the PCD, Planned Center District; however, this zoning district is oriented more toward the accommodation of commercial, office and industrial uses, along with limited residential use. A new zoning district should be created, or an existing zoning district should be amended, to account for the unique mixture of uses and design character intended for this future land use category.

### Multiple-Family Residential

This land use classification is intended to provide opportunities for more affordable housing and alternatives to traditional single-family detached subdivision development. This land use category is most commonly defined by the existence of multiple-family apartment structures, but may also include group living quarters such as independent and assisted living, and convalescent care facilities. In addition, traditional attached single-family development types like townhouses, condominiums, duplexes, bungalow courts, fourplexes, live/work units and courtyard apartments should also be incorporated within this future land use category.

Relationship to existing zoning districts:

- RM-1 or RM-2 multiple family residential zoning (low rise)
- RM-3 multiple family residential zoning (mid & high rise)

### Manufactured Home Residential

This classification is intended to comprise a group of manufactured or mobile homes located on the same property in a park setting.

Relationship to existing zoning districts:

- MHP mobile home zoning

### Local Commercial

This land use designation includes commercial uses intended to meet the daily retail and service needs of the residents of surrounding neighborhoods. Small to mid-scale neighborhood and community commercial uses are appropriate in these designated areas. Retail, office, and residential uses (such as townhomes or upper-story loft units) are appropriate uses to be added to existing local commercial sites throughout the City, but especially those located within a designated mixed-use development node.

Relationship to existing zoning districts:

- C-1 local convenience business zoning
- Certain modifications to the C-1 district are recommended to allow additional building height and a mixture of uses. The City should consider establishing regulations within the C-1 district which place greater emphasis on the design of the building and lesser emphasis on prescribing a particular use.

### Regional Commercial

This land use designation includes commercial uses intended to serve a regional population. Regional commercial developments are generally too large and massive to be incorporated into a neighborhood setting; however, such developments should incorporate pedestrian scale development features where possible. A mix of uses should be encouraged within regional commercial centers, particularly office use but also including institutional and recreational uses.

Relationship to existing zoning districts:

- C-2, C-3 or C-4 commercial zoning
- PCD planned center zoning

### Lakeside Village

The Plan outlines a long-term vision to transform the Lakeside Mall into a mixed-use town center or urban district. Two concept redevelopment plans were prepared to illustrate the potential of the site to accommodate new development and to provide a general direction for a transformation to a fully-functioning mixed-use district.

Relationship to existing zoning districts:

- No zoning district exists which specifically relates to this future land use category. The closest existing zoning category may be the PCD, Planned Center District. A new zoning district should be created, or an existing zoning district should be amended, to

account for the unique mixture of uses and design character intended for this future land use category.

### Office

Office uses are planned throughout the City along major roads, but generally not at road intersections. Office development may occur in stand-alone buildings on smaller parcels, or in planned office parks on larger parcels.

Relationship to existing zoning districts:

- O-1, O-2 or O-3 office zoning

### Traditional Mixed-Use Development

The Traditional Mixed-Use Development future land use classification identifies 10 key sites or nodes where the City's placemaking strategy can effectively be implemented. The Plan envisions these traditional mixed-use development nodes to be characterized by compactness, walkability, connectivity, a mixture of land uses and a mixture of housing types. The character of development should reflect traditional development principles, including limited front yard setbacks, wide sidewalks, pedestrian-oriented architecture and site amenities, transit accommodations, clustered/attached buildings, multi-story structures, and vehicular accommodations in the rear. Residential uses may be integrated within the upper stories of mixed-use buildings or as stand-alone buildings which are integrated within the non-residential uses. Open spaces should also be integrated within the node in the form of a plaza, commons or park.

Relationship to existing zoning districts:

- No zoning district exists which specifically relates to this future land use category. The closest existing zoning category is likely the C-4, Multi-Use District; however, this existing district is oriented to larger commercial sites and includes development requirements which may be in conflict with traditional development principles. Therefore, a new zoning district should be created, or an existing zoning district should be amended, to account for the unique mixture of uses and traditional design character intended for this future land use category.

### Van Dyke Mixed Use

This future land use category encompasses the Van Dyke Avenue corridor generally between 14 Mile Road and 18 Mile Road. This segment of the Van Dyke Avenue corridor is comprised primarily of regional commercial uses, including big box retail shopping centers, multi-tenant commercial centers, and stand-alone restaurants, retail stores, automobile-service facilities, office buildings and similar uses. It is the intent of this future land use category to permit the continuation of predominantly regional commercial and related land uses within this corridor. However, the Plan outlines numerous recommendations to enhance the corridor's functionality, long-term marketability, access/mobility, and its overall aesthetic appeal (refer to the detailed description for this category in the previous chapter).

Relationship to existing zoning districts:

- C-2, C-3 or C-4 commercial zoning

- PCD planned center zoning
- Traditional regional commercial development can be accomplished through the existing commercial zoning districts and/or the planned center district. However, a new zoning district or zoning amendments are likely necessary to allow for certain mixed-use and higher density redevelopment projects at strategic locations within the corridor. Additionally, design standards should be established to ensure consistent and high quality aesthetic design within the corridor.

### Medical/Office

The medical/office future land use classification has been established to accommodate the Beaumont Hospital property found on the east side of Dequindre Road as well as adjacent vacant properties along Dequindre Road and Dobry Drive. Recommended uses for this classification include hospitals, medical clinics, laboratories, medical supply, pharmacies, and professional offices, as well as related commercial uses which may support the primary medical related uses and facilities.

Relationship to existing zoning districts:

- O-1, O-2, O-3 or O-R office zoning
- PCD planned center zoning
- Traditional medical office development can be accomplished through the existing office zoning districts, while a planned mixed-use medical/office development could potentially be accommodated by the existing PCD zoning. However, a new zoning district or an amendment to the O-3 district and/or PCD district may be necessary to allow for a planned mixture of medical and ancillary uses with a uniform design aesthetic.

### Industrial

The City's planned industrial lands are concentrated within an approximately 6 mile long by 1 mile wide corridor framed by Mound Road and Van Dyke Avenue (the Sterling Innovation Corridor). The industrial future land use classification is intended to permit traditional industrial uses including large manufacturing operations (such as the Fiat Chrysler, Ford, General Dynamics, and BAE Systems), research and development plants, hi-tech industries, smaller light industrial operations inside and outside of planned industrial parks, warehousing, light manufacturing, and other common industrial uses.

Relationship to existing zoning districts:

- M-1 or M-2 industrial zoning
- TRO technical research office zoning

### Innovation Support

The innovation support future land use category generally encompasses the properties fronting the west side of Mound Road, between 14 Mile Road and south of 18 Mile Road. It is the intent of the innovation support classification to establish a well-planned mixed-use corridor which supports the success and viability of the City's industrial corridor (along the east side of Mound Road). Recommended land uses include light industrial (no outdoor

storage), high-technology/innovation uses, commercial and office uses. Multiple-family residential uses may also be appropriate in a limited manner. The commercial land uses should be concentrated at the key intersections (14 Mile, 15 Mile, Metropolitan Parkway and 17 Mile). Between these commercial intersections, an effective mix of land use should be encouraged.

Relationship to existing zoning districts:

- O-2, O-3, O-R or TRO office zoning
- C-3 commercial zoning
- M-1 industrial zoning
- Traditional office, business and light industrial development can be accomplished through the various existing zoning districts. However, a new zoning district or an amendment to an existing district (potentially the O-R district) may be necessary to allow for a broader range of uses that support manufacturing industries within the Sterling Innovation Corridor on the east side of Mound Road.

#### Civic Center

The civic center future land use category has been established encompass the governmental "center" of Sterling Heights located at the intersection of Utica Road and Dodge Park Road. This area features numerous municipal and civic related facilities, including the city hall, police/fire station, recreation center, senior center, library, Dodge Park and Stevenson High School. This future land use plan envisions additional municipal and civic facility development within this district in the future to serve the City's growing population and ensure high quality services for its citizens.

Relationship to existing zoning districts:

- Presently, this area is largely zoned R-80 residential zoning, which allows for public uses. This Plan recommends that a new zoning district be established to more fully accommodate the diversity of governmental and institutional uses, existing and proposed, which are planned for this area.

#### Parks/Open Space

This category includes a variety of public or private land, recreation facilities, and natural resources such as floodplains, woodlands or wetlands which should be preserved.

Relationship to existing zoning districts:

- R-60, R-70, R-80, R-90 or R-100 one-family residential zoning, which all allow for public parks and facilities
- FP floodplain area zoning

#### Transitional Land Use

One transition land use area has been identified on the Future Land Use Plan to serve as a flexible use area. This area, located between Mound Road and Merrill Road in the northern portion of the City, is a location where detached single-family residential dwellings are currently located, but should be phased out over time. The Plan envisions that the existing

single-family detached homes will remain for the short term. However, in line with market demand and timing, this area is recommended to transition over time to more intensive land use. Such future land use may include a mixture of multiple-family residential, office and light industrial use. Properties which front Mound Road may additionally support commercial use.

Relationship to existing zoning districts:

- A variety of existing zoning districts may be available to accommodate multiple-family residential, office, commercial or light industrial use at this time and in the short term future. However, as a long term measure, this Plan recommends the creation of a new multi-use district which accommodates a variety of non-residential uses and which establishes uniform development standards.

### **Zoning Plan Implementation Summary**

The key points of zoning implementation are summarized and generally prioritized in brief below.

#### Short-Term Zoning Implementation (1-3 years)

- Establish a new zoning district to accomplish the intended land use and development character of the **Planned Residential** future land use category.
- Establish a new zoning district to accomplish the intended land use and development character of the **Traditional Mixed-Use Development** future land use category.
- Amend the C-1 district in line with the **Local Commercial** future land use category, to allow additional building height and mixture of uses, and to place a greater emphasis on the design of the building and lesser emphasis on prescribing a particular use.
- Establish a new zoning district to accomplish the intended land use and development character of the **Civic Center** future land use category.

#### Mid- to Long-Term Zoning Implementation (3+ years)

- Establish a new zoning district, or amend an existing zoning district, to accomplish the intended land use and development character of the **Lakeside Village** future land use category.
- Establish a new zoning district, or amend an existing zoning district, to accomplish the intended land use and development character of the **Van Dyke Mixed-Use** future land use category.
- Establish a new zoning district, or amend an existing zoning district, to accomplish the intended land use and development character of the **Medical/Office** future land use category.
- Establish a new zoning district, or amend an existing zoning district, to accomplish the intended land use and development character of the **Innovation Support** future land use category.
- Establish a new zoning district to accomplish the intended land use and development character of the **Transitional Land Use** future land use category.

## **Role of the Planning Commission**

A role of the Planning Commission is to provide recommendations to the City Council and Administration. This planning function is a continuous process which does not terminate with the completion of the Master Land Use Plan. The various neighborhoods and districts in the City will continue to undergo change over time. Planning is an on-going process of identification, adjustment, and response to problems or opportunities that arise. In order to sustain the planning process, generate positive results, maintain momentum, and respond to change, the Plan should be reviewed and updated every five years, at a minimum (refer to Section 125.3845 of the Planning Enabling Act). In addition, the Planning Commission or other designated committees, under the direction of the City Council, can prepare organizational plans for specific issues or areas of concern as specified in the Master Land Use Plan. Such plans may include specialized plans for commercial revitalization, corridor plans, housing maintenance programs, brownfield redevelopment plans, transportation plans, or downtown development plans.

The Planning Commission's work does not end with the adoption of this Plan. Every year, the Planning Commission should establish/update its annual work plan based upon this Plan's recommendations. At a minimum, the annual work plan should include the following elements:

- List of necessary text amendments
- Update Capital Improvements Plan
- Review list of public improvement projects
- Identify training objectives
- Review of annual accomplishments

Several of these items are mandated by State Law, including the development of a Capital Improvement Plan and the review of public improvements. These elements are intended to be suggestions for items to be included on the Planning Commission's work plan. Other items will surface throughout the planning process.

## **Coordination Between Boards and Commissions**

In no certain order, the Planning Commission, City Council, Board of Zoning Appeals, and other groups are essential for the implementation of the Plan. To that end, there should be a regularly scheduled coordination session between these groups to discuss work plans and priorities for the year. Resources can be allocated and schedules developed to minimize the duplication of effort and conflicting interests.

Educational or training sessions regarding current planning issues or best practices should be scheduled annually for the Planning Commission and Board of Zoning Appeals. The City Council should be encouraged to participate in these training sessions, as well.

## **Capital Improvement Program**

The City has and will continue to maintain an updated and effective Capital Improvement Plan (CIP). A CIP is used to evaluate, prioritize and structure financing of public improvement projects. The CIP provides a basis for systematic review of proposed improvements related to the Master Plan by the City Council, and creates an opportunity to coordinate timing, location and financing of those projects. To that end, three objectives can be achieved: (1) financial analysis can minimize the impact

of improvement projects on the local tax rate; (2) appropriate scheduling of projects can take place given an advance picture of future need and development activities identified in the Plan; and, (3) the City Council can demonstrate its coordinating role in serving other elements of local government in formulating project recommendations.

In general, Capital Improvement Programs are most often presented in terms of specific fiscal year listings, although there are some shown in terms of priority categories with a more flexible time schedule. The capital improvements process should include the following steps:

- Inventory of potential projects as related to the Master Land Use Plan, including preliminary cost estimation and initial prioritization.
- Evaluation of projects proposed, in addition to those in the Plan, by various sponsors and City departments.
- Financial analysis of the proposed projects in terms of the available community revenues.
- Project scheduling for five years.
- Recommendation of first-year projects (capital improvement budget) to City Council.
- Formal approval of the capital improvement budget.

The role of the planning agency is primarily to identify potential projects as related to the Master Land Use Plan, coordinate material submitted by others, and work with financial officials in assembling facts for decision by the City Council.

### **Public Understanding and Support**

The necessity of citizen participation and understanding of the planning process and the Plan cannot be over-emphasized. A carefully organized public education program is needed to organize and identify public support in any community development plan. The lack of citizen understanding and support can seriously limit implementation of the planning proposals. The failure to support needed bond issues, failure to elect progressive officials, and litigation concerning taxation, special assessments, zoning, and public improvements are some of the results of public misunderstanding of long-range plans.

In order to organize public support most effectively, the City must emphasize the reasons for the planning program and encourage citizen participation in the adoption of the Plan and the continued planning process. Public education can be achieved through informational presentations at various local functions, newspaper articles, and preparation of simple summary statements on plans for distribution. Participation by residents in various civic groups is evidence of community involvement.

### **Programs and Funding**

Successful implementation of projects will depend on the ability of the City to secure the necessary financing. Besides the general fund, millage proposals and other traditional funding mechanisms, there are several sources of funding available to the City. In many cases, the City has in the past, or currently benefits from such funding. These funding sources are summarized below.

### ***Michigan State Housing Development Authority (MSHDA) Home Improvement Program***

This program provides low interest loans for home improvements through local lending institutions. The Home Improvement Program (HIP) is not targeted to any specific area, but can be utilized City-wide. Interest rates on loans are related to income. The property must be twenty years or older in age or in need of repair. The loans must be utilized to correct items that are hazardous to health and safety, or for items related to energy conservation.

### ***Neighborhood Improvement Program***

The Neighborhood Improvement Program (NIP) is another home improvement program developed by MSHDA, but it is directed toward specific revitalization areas. Loans, with interest rates dependent on income, are made available to homeowners within such areas. The program operates very similarly to the HIP with local lending institutions participating in the program.

### ***Community Development Block Grant Program (CDBG)***

The Community Development Block Grant program is an annual allocation of the U.S. Department of Housing and Urban Development to local governments for a wide range of community development activities, including housing rehabilitation, public and neighborhood improvements and economic development activities which primarily benefit low and moderate income persons.

### ***Tax Increment Financing (TIF)***

Tax increment financing is a common means of financing public facilities such as roads, water and sewer, and other public facilities which are needed for development. Through the use of TIF, municipalities typically divert future property tax revenue increases from a defined area or district toward and economic development project or public improvement project. In Michigan, tax increment financing is available to selected entities including Downtown Development Authorities, Local Development Finance Authorities, and Corridor Improvement Authorities. Presently, the City's Local Development Finance Authority (for the industrial corridor) and Corridor Improvement Authority (for the North Van Dyke district) both utilize TIF funding to finance economic development and other improvements.

### ***Brownfield Financing Redevelopment Acts (Public Acts 381, 382, and 383 of 1996)***

These acts establish an alternate method of utilizing the TIF financing mechanism. This initiative can be used by a community and land owner or potential user working together to finance the cleanup and reuse of contaminated property. Costs which can be funded include the demolition of buildings if necessary to remove the hazardous substances, and new construction if it is needed to protect against exposure to hazardous substances which are to remain. An important feature of this new initiative is that it restores the ability to capture state and local school taxes, but only from the taxes paid by the user of the redeveloped contaminated site. The Brownfield Act has recently been amended to allow the TIF funds to be used for redeveloping obsolete buildings/uses that contribute to the negative conditions within a Brownfield Area. Presently, the City has a Brownfield Redevelopment Authority and the entire City has been designated as a potential Brownfield Redevelopment Zone.

### ***Special Assessments***

This technique allows for the financing of public improvements through the assessing of property taxes, on an equitable basis, to benefitting property owners in a specific district. The types of local public improvements that are most often paid for through special assessments include sanitary sewers, storm drains, water mains, road paving, dust control, sidewalk construction and street lighting.

Special assessment districts may be initiated either through a resolution by City Council or at the request of a property owner whose property would be included in the district to be assessed.

### ***Grant Programs to Support Recreation and Non-Motorized Improvements***

#### ***Transportation Alternatives Program***

MDOT's Transportation Alternatives Program (TAP) is a competitive grant program that uses federal transportation funds designated by Congress for specific activities that enhance the intermodal transportation system and provide safe alternative transportation options. Eligible activities that relate to the implementation of this Master Plan include:

- Provision of facilities for pedestrians and bicycles. Includes new or reconstructed sidewalks, walkways, curb ramps, bike lane striping, wide paved shoulders, bike parking, bus racks, off-road trails, bike and pedestrian bridges and underpasses.
- Paved shoulders four or more feet wide
- Curb lane width greater than 12 feet
- Bike lanes
- Pedestrian crosswalks, sidewalks
- Shared use paths 10 feet wide or greater
- Path/trail user amenities
- Grade separations
- Bicycle parking facilities
- Bicycle accommodations on public transportation
- Provision of safety and educational activities for pedestrians and bicyclists. Programs designed to encourage walking and bicycling by providing potential users with education and safety instruction through classes, pamphlets and signage.
- Preservation of abandoned railway corridors (including the conversion and use thereof for pedestrian and bicycle trails). Acquiring railroad rights-of-way; planning, designing and constructing multi-use trails; developing rail-with-trail projects; purchasing unused railroad property for reuse.

#### ***Michigan Natural Resources Trust Fund***

The MNRTF provides funding for both the purchase of land (or interests in land) for recreation or protection of land because of its environmental importance or scenic beauty and the appropriate development of land for public outdoor recreation use. Goals of the program are to: 1) protect Michigan's natural resources and provide for their access, public use and enjoyment; 2) provide public access to Michigan's water bodies, particularly the Great Lakes, and facilitate their recreation use; 3) meet regional, county and community needs for outdoor recreation opportunities; 4) improve the opportunities for outdoor recreation in Michigan's urban areas; and, 5) stimulate Michigan's economy through recreation-related tourism and community revitalization.

### Land and Water Conservation Fund

The Land and Water Conservation Fund (LWCF) is a federal appropriation to the National Park Service who distributes funds to the Michigan Department of Natural Resources for development of outdoor recreation facilities. Historically, the focus of this program has been on trailway systems and other community recreation needs such as playgrounds, picnic areas, skate parks, ballfields, soccer fields and walking paths.

### Recreation Passport

The Recreation Passport grant is a relatively new grant offered by the MDNR. The objective for the program is to provide funding to local units for the development of public recreation facilities. This includes the development of new facilities and the renovation of old facilities. The program emphasizes renovations to existing facilities and providing unmet recreation needs.

### Safe Routes To School Program

The Safe Routes to School (SRTS) Program is a national movement to make it safe, convenient and fun for children to bicycle and walk to school. When routes are safe, walking or biking to and from school is an easy way to get the regular physical activity children need to succeed. In Michigan, the program is sponsored by the Michigan Governor's Council on Physical Fitness and has gained momentum over the past few years. Michigan's SRTS program makes schools eligible for transportation enhancement funds, providing for infrastructure improvements and education campaigns. The purpose of the program, as defined in the federal legislation, is: to enable and encourage children, including those with disabilities, to walk and bicycle to school; to make bicycling and walking to school a safer and more appealing transportation alternative, thereby encouraging a healthy and active lifestyle from an early age; and, to facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools.

### **Private Grants and Contributions**

Private sources for grants also exist. Foundations and utility companies are a common source for private grants for • municipal projects. These grants are usually special purpose and limited to specific geographic areas.



**Business of the City Council  
Sterling Heights, Michigan**

City Clerk's Use  
Item No: **8**  
Meeting: 10/04/16

**AGENDA STATEMENT**

OMB A503 Rev. 11/04

**Item Title:** To consider a request to transfer ownership of a 2016 Class C liquor licensed business located at 37142 Van Dyke Avenue, Sterling Heights, MI 48312, from Siracoff, LLC to INB Corporation, with SDM license, Sunday Sales (AM / PM) and dance/ entertainment permit.

**Submitted By:** Office of the City Clerk

**Contact Person/Telephone:** <sup>MC</sup> Mark Carufel, City Clerk 586/446-2421

**Administration (initial as applicable)**

**Attachments**

<i>MC</i> City Clerk	___	<b>Resolution</b>	___	<b>Minutes</b>
<i>BB</i> Finance & Budget Director	___	<b>Ordinance</b>	___	<b>Plan/Map</b>
<i>MK</i> City Attorney (as to legal form)	___	<b>Contract</b>	___	<b>Other</b>
<i>MV</i> City Manager				

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

**Executive Summary**

**Background** – INB Corporation, a Michigan corporation (Applicant), has made application to the City of Sterling Heights for the transfer of ownership of a 2016 Class C liquor licensed business from Siracoff, LLC, d/b/a RJ's Bar & Grill. Upon completion of the sale of the business and transfer of the Class C liquor license, Applicant will operate RJ's Bar & Grill from its current location at 37142 Van Dyke, Sterling Heights, MI 48312.

Applicant is acquiring the Class C liquor licensed business from Siracoff, LLC, which is also the tenant under a lease agreement with the owner of the building, Fabulous Five, LLC. Applicant is waiting for City Administration and City Council review and approval, before making application to the MLCC and completing the purchase of the business.

Applicant is 100% owned and operated by Michael Cacaj, a lifelong resident of Sterling Heights. Mr. Cacaj will be responsible for the daily management and operation of the business, with the assistance of his wife Drita Cacaj. While Mr. Cacaj does not have previous experience operating a liquor licensed business, he has owned and successfully operated Great Lakes Coney Island Restaurant on Grand River Avenue in Farmington Hills, Michigan since 1998. Mr. Cacaj will be hiring a manager for the restaurant in Farmington Hills, thereby allowing him to concentrate on the operations and management of the liquor licensed business in Sterling Heights.

RJ's Bar & Grill will continue to operate from the leased, a 3,500 square foot restaurant on the west side of Van Dyke, north of Metropolitan Parkway. The proposed menu will offer patrons multiple entrées, specializing primarily in American cuisine. The restaurant / bar floor plan offers sit-down seating for about 99 patrons. A pool table, dart board and any additional amusement devices will be licensed with the City, upon completion of the sale of the business. Long-term, a name change and some upgrades may be planned for

the future; provided, however, there will be no short-term renovations. Proposed hours of operation are daily from 10:00 a.m. to 2:00 a.m.

Applicant is seeking to transfer a SDM license for off premises consumption of beer and wine purchased from the licensed premises and with carry-out food. A new dance / entertainment permit will allow for patron dancing within a designated 13 x 13 dance floor and permit monologues and dialogues by musicians, comedians, small bands, and DJs. A Sunday Sales permit will allow for the sale of beer, wine and liquor prior to noon and sale of liquor after noon on Sundays.

The Police Department, Fire Department, Office of Planning, Office of Building Services and Office of Treasury have completed their respective reviews and report no objections to the application.

Since this is an application to *transfer* the liquor license at the same location in Sterling Heights, it will have **no effect** on the number of City quota licenses available.

**Recommendation** – City Administration is recommending **approval** of the Applicant’s request. The following criteria from §5-34(G) of the City Code support this recommendation:

- (2) The Applicant’s general business management experience;  
Applicant has extensive general business experience as the owner / operator of a successful restaurant for the past 18 years.
  
- (10) The recommendations of the local law enforcement agency, Building Department, Zoning Department and Fire Department with regard to the proposed facility;  
Please see the attached reports from City Departments and Offices indicating no negative information regarding Applicant’s application.

**Suggested Action To Recommend Approval:**

**MOVED BY:**

**SECONDED BY:**

Resolved, that the request to transfer ownership of a 2016 Class C liquor licensed business located at 37142 Van Dyke Avenue, Sterling Heights, MI 48312, from Siracoff, LLC to IBN Corporation, with SDM license, Sunday Sales (AM / PM) and dance/ entertainment permit, be considered for approval.

CITY OF STERLING HEIGHTS

LIQUOR LICENSE APPLICATION

**SUBMIT TO:** CITY CLERK  
CITY OF STERLING HEIGHTS  
40555 UTICA ROAD  
P.O. BOX 8009  
STERLING HEIGHTS, MI 48311-8009

(Please print or type - a separate application is required for each applicant)

1. Applicant INB Corporation  
Address 37125 Van Dyke Ave, Sterling Heights, 48312  
Type of License Class C and SDM  
Type of Permit SS (PM and AM) and Dance

**Include all permits to be issued with this license.**

Business Name \_\_\_\_\_  
Business Address 37125 Van Dyke Ave, Sterling Heights, 48312  
Telephone 586.264.5262

Legal Description \_\_\_\_\_

If this is a transfer, date application was filed with the Michigan Liquor Control Commission \_\_\_\_\_

2. Give the following information for the business proprietor, partners and persons with an interest in the business to be licensed. If incorporated, give same information for officers, directors and managerial employees:

Name	Address	Nature of interest in business or official position	Citizen of U.S. Answer Yes or No
Michael Cacaj,			President, citizen
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

3. Have any of the persons named above had a license issued under any alcoholic control law suspended or revoked at any time? no

If so, attach a statement giving a full explanation of each such suspension or revocation, including the date thereof.

4. Has there been a suspension or denial to the applicant or applicants of a liquor license within the past two years? no

5. Is the applicant the owner of the premises to be licensed? no  
If not, do you have a lease covering the full license period for the premises to be licensed? yes Give date lease expires 2024  
(Include a copy of the lease with the application.)

If the applicant is not the owner of the premises to be licensed, give name of owner and address:

Name: Fabulous Five, LLC  
Complete Address: 20407 Edmonton, St. Clair Shores, Michigan 48080

6. Do you or any member of your family hold a license for sale of alcoholic beverages at the present time, either as an individual, a member of a partnership or stockholder in a licensed corporation? no If so, give type of license: \_\_\_\_\_

Name in which license is issued and relationship: \_\_\_\_\_

Address: \_\_\_\_\_

7. Have you or any member of your family previously held a license or any interest in a license for sale of alcoholic beverages in the State of Michigan? no

If so, give type of license or licenses, names in which licenses were issued, stating relationship and location:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Have you or any member of your family ever held a license for sale of alcoholic beverages anywhere in the United States? no If so, give address, city, state and name in which license was issued: \_\_\_\_\_

State whether or not you will be active in the management of this business if the license is granted: yes If so, in what capacity? owner/operator/President  
If a partnership, number of shares owned: \_\_\_\_\_

9. Does applicant propose to operate a restaurant, an SDM or SDD business, or conduct any form of entertainment in connection with his business or operate a jukebox or offer music of any type? SDM/Dance/Entertainment Permits

If yes, furnish all details: Dj, Karaoke, juke box, pool tables, dart board,

10. PERSONAL INFORMATION:

Applicant

Full Name Michael Cacaj Age \_\_\_\_\_ Date of Birth \_\_\_\_\_

Address \_\_\_\_\_

Telephone number \_\_\_\_\_

Sex M Height \_\_\_\_\_ Weight \_\_\_\_\_ Color of Hair Brown Color of Eyes Brown

Driver's License No. \_\_\_\_\_

U.S. Citizen? yes Naturalized?(number and place) \_\_\_\_\_

Marital Status married Michigan Resident? yes How Long? 39

Spouse

Full name (including maiden name) Drita Cacaj (Ivezaj)

Address \_\_\_\_\_

Telephone number \_\_\_\_\_ Date of Birth \_\_\_\_\_

10. Personal Information (Cont'd)

Dependents and/or children

<u>Birth</u>	<u>Name</u>	<u>Address</u>	<u>Telephone No.</u>	<u>Date of</u>

Employment (past 10 years)

<u>Occupation</u>	<u>Name &amp; Address of Employer</u>	<u>Supervisor</u>	<u>From</u>	<u>To</u>
restaurant owner,	Great Lake Coney Island,	self employed,	1998-	present

Residence (past 10 years)

<u>Address</u>	<u>City and State</u>	<u>From</u>	<u>To</u>

Have you ever had your name legally changed? no Have you ever used a name other than the one you now use? \_\_\_\_\_ If so, give former name(s) \_\_\_\_\_

10. Personal Information (Cont'd)

Have you ever been arrested? (This means any arrest regardless of whether or not you were convicted) \_\_\_\_\_ Have you ever been convicted? \_\_\_\_\_

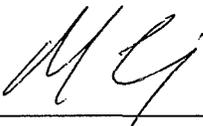
Give a complete record of all arrests and convictions, including dates and places:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

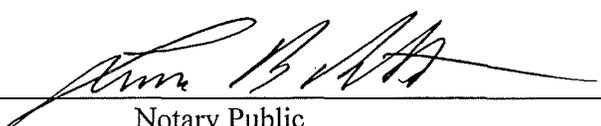
11. Do you agree to obtain local approval for all permits to be issued with the requested license, at this time or in the future. (I.e. dance, entertainment, dance-entertainment)

Yes  \_\_\_\_\_ No \_\_\_\_\_

I, Michael Cacaj, do hereby solemnly swear or affirm that all statements contained in this application are true and correct to the best of my knowledge, information and belief.

Signature of Applicant 

Sworn to and subscribed before me this 25 day of April, 2016

  
Notary Public

Oakland County, Michigan

My commission expires: 5-5-2017

CITY OF STERLING HEIGHTS  
MACOMB COUNTY, MICHIGAN

TO ANY PERSON PRESENTED WITH THIS AUTHORIZATION BY AN AGENT OF  
THE CITY OF STERLING HEIGHTS.

YOU, AND ANY PERSON ASSOCIATED WITH YOU, ARE HEREBY  
AUTHORIZED TO GIVE TO THE CITY OF STERLING HEIGHTS, OR ANY  
REPRESENTATIVE THEREOF, ANY AND ALL INFORMATION WHICH MAY BE  
REQUESTED REGARDING MY EMPLOYMENT, BANK ACCOUNTS, STOCK AND  
BOND ACCOUNTS, OTHER FINANCIAL MATTERS, MY PHYSICAL CONDITION AND  
TREATMENT RENDERED BY YOU THEREFOR, AND, IF NECESSARY TO ALLOW  
THEM TO EXAMINE ANY RECORDS WHICH YOU MAY HAVE CONCERNING  
MYSELF OR MY HEALTH.

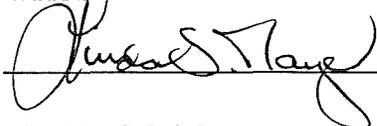


SIGNATURE

Michael Cacaj

TYPE OR PRINT NAME

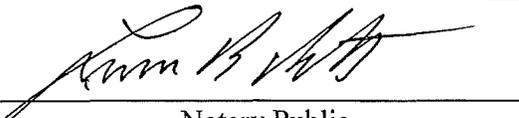
WITNESS:



4-25-2016

Date

Sworn to and subscribed before me this 25 day of April, 2016



Notary Public

Oakland County, Michigan

My commission expires: 5-5-2017

**AUTHORIZATION TO INSPECT PREMISES**

I AUTHORIZE THE CITY OF STERLING HEIGHTS TO CONDUCT ANY INSPECTIONS  
IT CONSIDERS NECESSARY TO DETERMINE COMPLIANCE WITH CODES,  
ORDINANCES AND LAWS APPLICABLE TO:

37125 Van Dyke Ave, Sterling Heights, 48312

(ADDRESS OF BUSINESS)

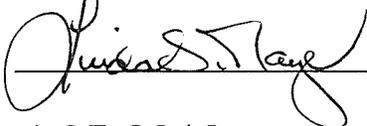


\_\_\_\_\_  
SIGNATURE

Michael Cacaj

\_\_\_\_\_  
TYPE OR PRINT NAME

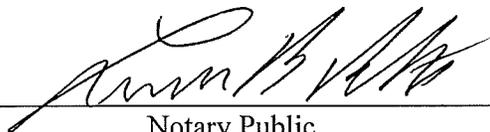
WITNESS:



4-25-2016

\_\_\_\_\_  
Date

Sworn to and subscribed before me this 25 day of April, 2016



\_\_\_\_\_  
Notary Public

Oakland County, Michigan

My commission expires: 5-5-2017



LAW OFFICES

**ADKISON, NEED, ALLEN, & RENTROP**

PROFESSIONAL LIMITED LIABILITY COMPANY

PHILLIP G. ADKISON  
KELLY A. ALLEN  
SALAM F. ELIA  
GREGORY K. NEED  
G. HANS RENTROP

39572 Woodward, Suite 222  
Bloomfield Hills, Michigan 48304  
Telephone (248) 540-7400  
Facsimile (248) 540-7401  
www.ANAfirm.com

OF COUNSEL:  
KEVIN M. CHUDLER  
LINDA S. MAYER

August 11, 2016

VIA OVERNIGHT MAIL - 2<sup>ND</sup> DAY

Mr. Mark Carufel  
Risk Manager/City Clerk  
City of Sterling Heights  
40555 Utica Road  
Sterling Heights, Michigan 48311-8009

**Re: INB Corporation  
37125 Van Dyke, Sterling Heights, Macomb County, Michigan**

Dear Mr. Carufel:

This is INB Corporation's ("INB") request to transfer ownership of a Class C liquor license from Siracoff, LLC, for operation at 37125 Van Dyke, Sterling Heights, Macomb County, Michigan.

INB is requesting the following permits: SDM License, Sunday Sales (AM and PM), Dance Permit, and Entertainment Permit. The requested permits allow the Licensee to do the following:

**SDM License:** Allows the Licensee to sell beer and wine (not spirits) to go, for consumption off the Premises. The primary use of the SDM License is to accompany carry-out food orders.

**Sunday Sales AM Permit:** Allows the Licensee to sell beer, wine and liquor before noon on Sundays.

**Sunday Sales PM Permit:** Allows the Licensee to sell liquor after noon on Sundays.

**Dance Permit:** Allows customers to dance on a dance floor, which must be defined and clearly marked. The proposed Dance floor will measure 13' x 13', and will be used occasionally. Most of the time, the dance floor will have tables and chairs on the space for customers to dine.

**Entertainment Permit:** Allows comedians, magicians, small bands, and occasional DJs.

INB will continue to do business as the RJ's Bar & Grill ("RJ's"), a casual pub.

RJ's is located on the northwest corner of 16 Mile and Van Dyke. INB will assume the currently lease with landlord Fabulous Five, LLC, which has options to extend until 2024.

RJ's is approximately 3,500 square feet and the establishment is in good condition. INB will not be doing any renovations to the building at this time. The seating capacity is 99 patrons. The hours of operation are seven days a week from 11:00 am to 2:00 am.

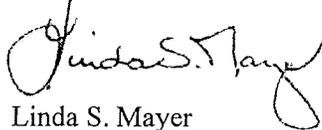
INB is owned by sole stockholder Michael Cacaj. Mr. Cacaj will fund the acquisition from personal funds and from his business located in Farmington. Mr. Cacaj has operated a successful Coney Island in Farmington since 1997.

Enclosed for your review are the following:

1. Application fee payable to the City of Sterling Heights for \$2,080.00;
2. Original application forms for Michael Cacaj with the following attachments:
  - a. Narrative/Written Statement regarding applicant's character, experience, financial ability to meet the obligations and business undertakings for which the license is to be issued, and outline of proposed use, improvements to be made, hours of operation and types of activities;
  - b. Floor plan;
  - c. Menu;
  - d. Evidence of interest in property. Original Lease agreement, Original Assignment and Addendum for current licensee/tenant Siracoff, LLC and proposed Assignment of the Lease to INB;
  - e. Asset Purchase Agreement; and
  - f. Filed Articles of Incorporation for INB Corporation.

Please begin the City's review of this application as soon as possible. Please call me or my legal assistant, Laura Peters, if you have any questions whatsoever. If possible, when scheduling city inspections, please contact our client, Michael Cacaj, so that he can attend the inspections. Mr. Cacaj's contact information is as follows: [cacaj.77@gmail.com](mailto:cacaj.77@gmail.com); cellular phone (586) 344-6352. We look forward to being heard on the Council's Agenda as soon as possible. Thank you for your assistance in this matter.

**ADKISON, NEED, ALLEN, & RENTROP, PLLC**

  
Linda S. Mayer

/lbp  
Enclosures

**NARRATIVE STATEMENT OF APPLICANT  
INB CORPORATION**

**STATEMENT AS TO APPLICANT'S CHARACTER, EXPERIENCE AND FINANCIAL ABILITY:**

Michael Cacaj, Sole Stockholder and President of INB Corporation, is an established business owner in Southeast Michigan. INB Corporation will be well funded by personal funds and business funds from Michael Cacaj which will fully capable of operating a Class C establishment. Michael Cacaj has restaurant experience he owned and operating a Coney Island restaurant in Farmington since 1997.

**STATEMENT AS TO PROPOSED USE, IMPROVEMENTS AND HOURS OF OPERATION:**

The location is currently operated as RJ's Bar & Grill ("RJ's") and INB Corporation will continue to operate as RJ's. RJ's will not be renovated and will operate "as is" and will not make any changes to the business operation. The proposed hours of operation are 10:00 am to 2:00 am, seven days a week.

**STATEMENT AS TO EVIDENCE OF INTEREST IN THE PROPERTY:**

The business is located at 37125 Van Dyke in Sterling Heights in which the property is owned by landlord Fabulous Five, LLC. The existing lease has been extended until February 2017 with an additional 5 year option to renew until 2024. The existing Lease and Assignment will be assigned to INB Corporation.

**STATEMENT AS TO CHANGES TO BE MADE TO THE EXITING BUILDING:**

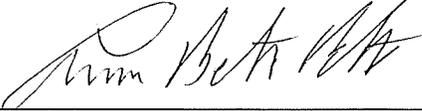
INB Corporation will not be renovating the existing business.

I, Michael Cacaj, do hereby solemnly swear or affirm that all statements contained in this application are true and correct to the best of my knowledge, information and belief.

Signature of Applicant:

  
\_\_\_\_\_  
Michael Cacaj

Subscribed and sworn to before me this 9th day of August, 2016.

  
\_\_\_\_\_  
Laura Beth Peters, Notary Public  
Oakland County, Michigan  
My Commission Expires: 5-5-2017

**AGREEMENT REGARDING ENTERTAINMENT PERMIT REQUEST**

This Agreement, made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the CITY OF STERLING HEIGHTS, MICHIGAN, a municipal corporation, with offices located at 40555 Utica Road, Sterling Heights, Michigan, 48313, hereinafter known as “THE CITY”, and

Name of Business: INB Corporation

a (State) Michigan Corporation, whose address is:

(Street Address): 37125 Van Dyke

(City, State, Zip): Sterling Heights

Short Name of Business: RJ's,

the Applicant, hereinafter known as “APPLICANT”.

1. The City Council of THE CITY, for and in consideration of the following covenants and conditions, agrees to recommend to the Michigan Liquor Control Commission Approval of the Request for an entertainment permit by APPLICANT.
  
2. In consideration of THE CITY’s recommendation for approval of the request for an entertainment permit, APPLICANT hereby agrees that:
  - a. It has read and is aware of the provisions of the Sterling Heights Code of Ordinances, including but not limited to Chapter 5, Chapter 7, Chapter 12, and Chapter 29, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Code and said Chapters which may become effective during the term of this agreement.
  - b. It has read and is in receipt of copies of the provisions of the City of Sterling Heights City Council Resolution Adopting Guidelines for revocation of Licenses and Permits, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Resolution which may become effective during the term of this Agreement.
  - c. It agrees to observe and comply with all laws, statutes, ordinances, rules, regulations or resolutions of the United States, State of Michigan, and the City of Sterling Heights, or any department or agency of the governmental entities, as well as the rules and regulations of the Michigan Liquor Control Commission as

they pertain to the operation of a Class C liquor licensed business in the City of Sterling Heights.

- d. It agrees that the only form of entertainment to be conducted pursuant to the entertainment permit shall be as follows:

<input checked="" type="checkbox"/> Dancing	<input type="checkbox"/> Still Slides
<input checked="" type="checkbox"/> Monologues	<input type="checkbox"/> Closed Circuit Television
<input checked="" type="checkbox"/> Dialogues	<input checked="" type="checkbox"/> Contests
<input type="checkbox"/> Motion Pictures	<input type="checkbox"/> Other Performances (Specify):

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3. APPLICANT agrees that the recommendation for Approval agreed upon by the City Council is not a property right and is approved upon the express and continuing condition that no violation of this Agreement, or of the provisions referenced in paragraph 2 of this Agreement, shall occur.
4. APPLICANT agrees that the recommendation of Approval agreed upon by the City Council is contingent upon the express and continuing condition that the physical characteristics (including but not limited to the inside layout, building design and engineering, seating capacity, parking space allocations, fire exits, and other physical attributes), and also the nature and type of business and entertainment intended to be conducted, remain virtually the same.
5. APPLICANT agrees that upon a violation, a full investigation shall be conducted by the City Manager, affording an opportunity for APPLICANT to be heard and/or to take corrective action, which might render a recommendation of revocation or non-renewal unnecessary.
6. APPLICANT agrees that the City Manager shall have the discretion to forward the results of the investigation to the City Council with a recommendation for revocation or non-renewal proceedings.

7. APPLICANT agrees that, upon review of the City Manager's recommendations by the City Council and upon a finding that a violation of this Agreement, or of any of the provisions referenced in paragraph 2 of this Agreement, has occurred, the City Council shall have just cause for revocation of said recommendation of Approval.
  
8. THE CITY and APPLICANT agree that this Agreement shall remain in effect for the duration of the entertainment permit in question, including all consecutive renewals.
  
1. The City and APPLICANT agree that this Agreement becomes null and void in the event that state law or administrative rules are revised to prohibit or effectively prevent its use or purpose.

INB Corporation  
 (NAME OF APPLICANT BUSINESS)

CITY OF STERLING HEIGHTS

By: MCJ 4-25-2016  
 (Dated)

By: \_\_\_\_\_  
 Michael C. Taylor, Mayor (Dated)

By: \_\_\_\_\_  
 (Dated)

By: \_\_\_\_\_  
 Mark Carufel, City Clerk (Dated)

Subscribed and sworn to before me  
 this 25 day of April, 2016

Subscribed and sworn to before me  
 this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

[Signature]  
 Notary Public, Oakland County, MI

\_\_\_\_\_  
 Notary Public, Macomb County, MI

My commission expires: 5/5/2017

My commission expires:

**AGREEMENT REGARDING LIQUOR LICENSE REQUEST**

This Agreement, made this \_\_\_\_ day of April, 2016, by and between the CITY OF STERLING HEIGHTS, MICHIGAN, a municipal corporation, with offices located at 40555 Utica Road, Sterling Heights, Michigan, 48313, hereinafter known as "THE CITY", and

Name of Business: INB Corporation

a (State) Michigan Corporation, whose address is:

(Street Address): 37125 Van Dyke

(City, State, Zip): Sterling Heights, MI 48312

Short Name of Business: INB,

the Applicant, hereinafter known as "APPLICANT".

1. The City Council of THE CITY, for and in consideration of the following covenants and conditions, agrees to recommend to the Michigan Liquor Control Commission Approval of the Request for Class C liquor control license by the APPLICANT.

2. In consideration of THE CITY'S recommendation for approval of the request for a Class C liquor license, APPLICANT hereby agrees that:

a. It has read and is aware of the provisions of the Sterling Heights Code of Ordinances, including but not limited to Chapter 5, Chapter 7, Chapter 12, and Chapter 29, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Code and said Chapters which may become effective during the term of this agreement.

b. It has read and is in receipt of copies of the provisions of the City of Sterling Heights City Council Resolution Adopting Guidelines for Revocation of Licenses and Permits, and agrees that it shall be deemed to have knowledge of any subsequent amendments to the Resolution which may become effective during the term of this Agreement.

c. It agrees to observe and comply with all laws, statutes, ordinances, rules, regulations or resolutions of the United States, State of Michigan, and the City of Sterling Heights, or any department or agency of the governmental entities, as well as the rules and regulations of the Michigan Liquor Control Commission as they pertain to the

operation of a Class C or Class B liquor licensed business in the City of Sterling Heights.

- d. It agrees to implement procedures to prevent alcohol abuse on its premises or related to its premises by instituting a program such as Training for Intervention Procedures by Servers of Alcohol (T.I.P.S.), Techniques of Alcohol Management (T.A.M.), or the Management/Server Alcohol Awareness Program.
3. APPLICANT agrees that the recommendation for Approval agreed upon by the City Council is not a property right and is approved upon the express and continuing condition that no violation of this Agreement, or of the provisions referenced in paragraph 2 of this Agreement, shall occur.
  4. APPLICANT agrees that the recommendation of Approval agreed upon by the City Council is contingent upon the express and continuing condition that the physical characteristics (including but not limited to the inside layout, building design and engineering, seating capacity, parking space allocations, fire exits, and other physical attributes), and also the nature and type of business and entertainment intended to be conducted, remain virtually the same.
  5. APPLICANT agrees that upon a violation, a full investigation shall be conducted by the City Manager, affording an opportunity for APPLICANT to be heard and/or to take corrective action, which might render a recommendation of revocation or non-renewal unnecessary.
  6. APPLICANT agrees that the City Manager shall have the discretion to forward the results of the investigation to the City Council with a recommendation for revocation or non-renewal proceedings.
  7. APPLICANT agrees that, upon review of the City Manager's recommendations by the City Council and upon a finding that a violation of this Agreement, or of any of the provisions referenced in paragraph 2 of this Agreement, has occurred, the City Council shall have just cause for revocation of said recommendation of Approval.
  8. The City and APPLICANT agree that this Agreement shall remain in effect for the duration of the liquor license in question, including all consecutive renewals.

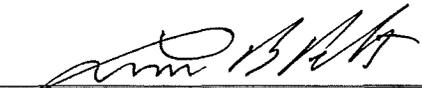
9. The City and APPLICANT agree that this Agreement becomes null and void in the event that state law or administrative rules are revised to prohibit or effectively prevent its use or purpose.

INB Corporation  
(NAME OF APPLICANT BUSINESS)

By:  4-25-16  
(Dated)

By: \_\_\_\_\_  
(Dated)

Subscribed and sworn to before me  
this 25 day of April, 2016

  
Notary Public, Oakland County, MI

My commission expires: 5-5-2017

CITY OF STERLING HEIGHTS

By: \_\_\_\_\_  
Michael C. Taylor, Mayor (Dated)

By: \_\_\_\_\_  
Mark Carufel, City Clerk (Dated)

Subscribed and sworn to before me  
this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

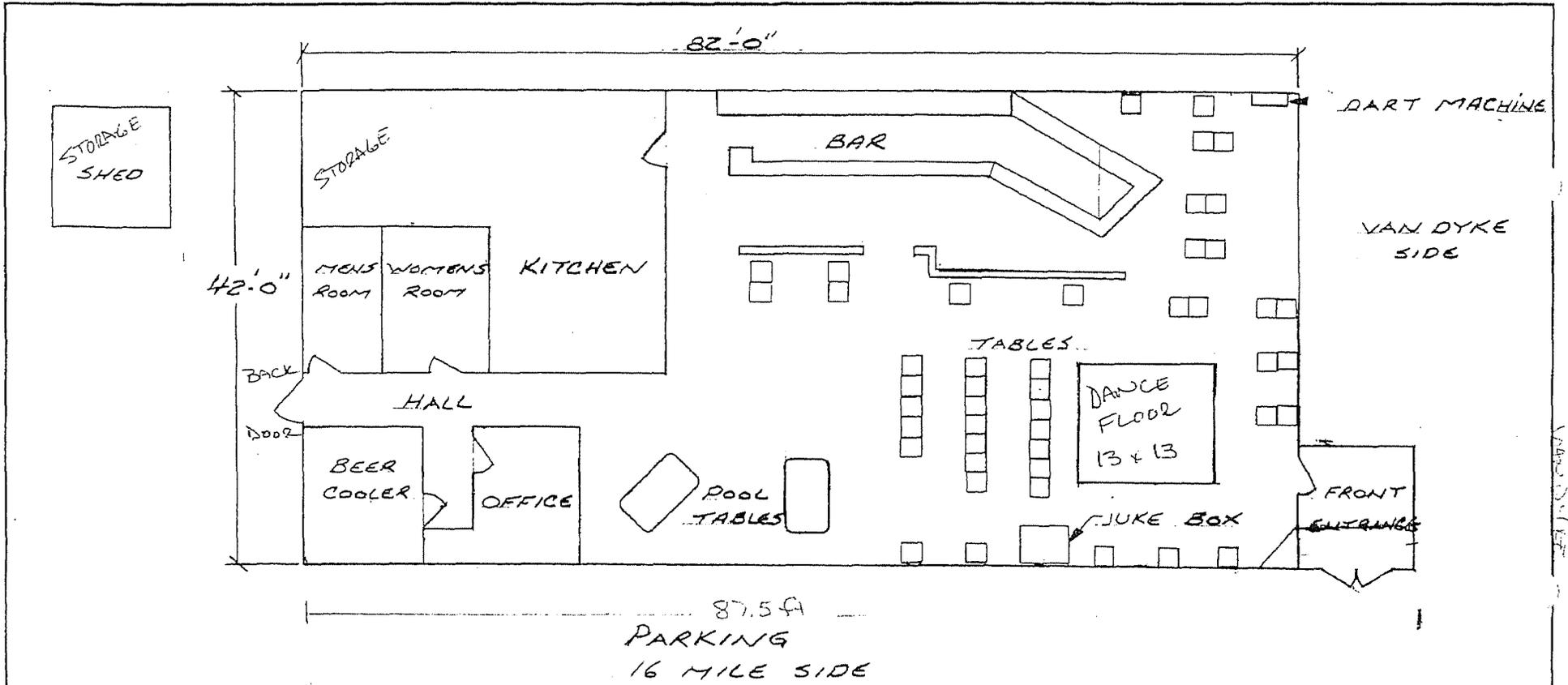
\_\_\_\_\_  
Notary Public, Macomb County, MI

My commission expires:

REQUEST ID # 514522

SIRACOFF L.L.C.

37125 VAN DYKE  
STERLING HEIGHTS, MI 48312



TOLERANCES EXCEPT AS NOTED	REVISIONS			R J'S BAR & GRILL	
	NO	DATE	BY	SCALE	DATE
DECIMAL	1				
±	2				
FRACTIONAL	3			DRAWN BY	SCALE 1/8"=1'-0"
±	4			CHECKED	DATE
ANGULAR	5			TRACED	APPROVED
±					

## HOMEMADE DAILY - LUNCH SPECIALS

### APPETIZERS

Small Platter, 2 Cream Cheese Poppers, 2 Munchers, 4-Mini Tacos, 3-Wing Dings 2 Chicken Tenders, 3-Mozzarella Sticks, 6 Mushrooms, 1/2 Order Onion Rings, Cheese Bites	\$14.95
Large Platter	\$22.95
4 Cream Cheese Poppers, 4 Munchers, 4-Mini Tacos, 4-Wing Dings, 4 Chicken Tenders, 4 Mozzarella Sticks, 8 Fried Mushrooms, Full Order Onion Rings, Cheese Bites	
Chips and Salsa	\$3.75
Mozzarella Cheese Sticks	\$6.95
Deep Fried Mushrooms	\$6.95
Mini Tacos	\$6.50
Taco Hard or Soft	\$2.50
Steak Taco	\$3.50
Poppers Cream Cheese or Cheddar	\$6.50
Chicken Tenders or Chicken Fries	\$6.95
Wing Dings	\$7.95
Hot Pepper Cheese Bites	\$6.95
Munchers	\$6.50
Nachos	\$7.95
	Beef \$7.95
	Chicken \$8.95
Tortilla Chips, Green Peppers, Onion, Lettuce Tomato, Jalapenos, Olives, Melted Cheese	
Homemade Chili Cheese Fries	\$5.50
Basket of Fries - Seasoned Add .25	\$3.95
Onion Rings Basket 1/2 order 2.95	\$4.95
Potato Skins-4 Cheddar, Bacon	\$6.95
Sweet Potato Fries	\$5.25

### HOMEMADE SOUP OF THE DAY

Cup	\$2.50
Bowl	\$3.25

### HOMEMADE CHILI

Cup	\$2.50
Bowl	\$4.00
Add Cheese or Onions Each	\$1.50

### SALADS

Coleslaw Home made	\$2.00
Garden tossed salad	\$3.95
Cucumber, Tomato	
Chef Salad	\$7.95
Lettuce, Turkey, Ham, Swiss Cheese, American Cheese, Tomato, Cucumber	
Taco Salad, Crisp Tortilla bowl with Tortilla Chips, Seasoned Beef, Onions	\$7.95
Shredded Cheddar cheese, Lettuce, Peppers, Tomato, Salsa, Sour Cream, Black Olives	
Grilled Chicken Salad	\$8.95
Grilled Chicken Breast, Lettuce, Tomato, Cucumber, Onion, Peppers, Shredded Cheddar Cheese	
Dressings	
Italian, Ranch, 1000 Island, French, Caesar, Catalina, Blue Cheese, Honey Mustard, Vinegar Oil, Raspberry Vinaigrette, Greek	

Wing Special .70 each - Tuesdays Only

Hot Dog \$1.50 or Chili Dog \$1.95

Pork Steak w/Fries \$7.95

-Fridays Fresh Fish-

\*Consuming Raw or Undercooked food may  
cause food Borne illness.

Open Monday-Sunday

RJ's Bar & Grill 586-264-5262

To Go Box Container's .50 cents each.

## HOMEMADE DAILY - DINNER SPECIALS

### FRESH BURGERS

*RJ Deluxe & Fries	\$7.50
1/2 lb Burger, Coleslaw, Pickles Lettuce, Tomato, Onion	
*Widow Maker	\$7.95
1/2 lb Burger, Bacon Cheddar, Mozz, Pickles	
*Patty Melt & Chips	\$6.95
1/2 lb Burger, Pickles Swiss Cheese, Sauteed onions, on Rye	
*3-Pack of Sliders & Fries	\$6.95
Sauteed Onions, Pickles	
*6-Pack of Sliders	\$6.50
Sauteed Onions, Pickles	
Turkey Burger & Chips	\$6.50
Lettuce, Tomato, Onion, Pickle	
Veggy Burger	\$5.95
Lettuce, Tomato, Onion, Pickle	
Chicken Burger & Chips	\$6.50
Lettuce, Tomato, Onion, Pickle	
add French Fries	\$2.50
Add American Cheese, Swiss, Mozzarella, Cheddar, Pepper jack, Crumble Blue Cheese	\$1.50
Add Bacon, Mushrooms, Sauteed Onions	\$1.75

### CHICKEN SANDWICHES

Served with Chips & Pickle

Cordon Blue Chicken	\$7.50
Marinated Breast, Grilled Ham & Swiss	
RJ's Chicken	\$7.50
Marinated Breast, Grilled Mushrooms & Swiss	
Texas Style Chicken	\$7.50
Marinated Breast, Bacon, Cheddar Cheese & Open Pit Barbeque Sauce	
Chicken Club	\$7.50
Marinated Breast, Bacon, American Cheese & Lettuce, Tomato & Mayo (All Above Sub Buns)	
Crispy or Grilled Chicken Pita Wrap	\$7.50
Lettuce, Tomato & Mayo or Ranch	
Chicken Quesadillas	\$7.50
6" Flour Tortilla, Grilled Chicken, Mozzarella & Cheddar Cheese with Salsa & Sour Cream	

### SANDWICHES

Served with Chips & Pickles

*Steak Hoagie (Sub) Swiss Cheese	\$7.95
Onion, Peppers & Fries	
*NY Strip Steak Sandwich, Grill Onions	\$11.95
Grill Mushrooms, Served on Sub Bun & Fries	
Reuben	\$7.50
Grilled Corn beef & Sauerkraut, Swiss Cheese, Served on Rye with Thousand Island Dressing	
"House Reuben"	\$7.50
Grilled Corned Beef & Coleslaw, Swiss Cheese Served on Rye Bread	
Grilled Ham & American Cheese or	\$6.50
Swiss Cheese, White, Rye or Wheat	
Slim Jim	\$7.50
Grilled Ham, Swiss Cheese, Tartar Sauce Lettuce, Tomato, Served on Sub Bun	
Classic BLT	\$5.95
Bacon, Lettuce, Tomato, Mayo	
Toasted White, Rye or Wheat	*Steak BLT \$6.50
Grilled Cheese	\$3.50
American Cheese, White, Rye or Wheat	
Club	\$7.50
Turkey, Bacon, American Cheese, Mayo	
Tuna Melt	\$7.50
Served on Rye with Swiss Cheese	

**STERLING HEIGHTS FIRE DEPARTMENT**  
**Class C Liquor License / Amusement Device License - Type B**  
**INSPECTION STATUS REPORT FORM**

DATE: August 22, 2016  
TO: City Clerk Mark Carufel - City Clerk's Office  
FROM: Fire Marshal Mike Bauss - Fire Prevention Division  
BUSINESS: RJ's Bar & Grill  
37125 Van Dyke  
Sterling Heights, MI

Date of your request .....8/18/16  
Inspection Report Number.....42233  
Inspection Report Date .....8/18/16  
Number of Amusement Devices Found .....6  
Capacity for this facility ..... N/A

- At this time, all fire and life safety requirements are in compliance. We have no objection to the approval of a **Class C Liquor License / Amusement Device License** for this business.
- This business is not built yet. Plans have NOT been received and/or reviewed.
- Violation items were cited on the inspection report and Fire Department approval cannot be granted at this time. A re-inspection will be conducted upon completion.
- A re-inspection was conducted on \_\_\_\_\_  
Violation items were found corrected. We have no objection to the approval of a **Class C Liquor License / Amusement Device License** for this business at this time.

Yours in fire safety,

Reviewed and Approved:

  
Mike Bauss  
Fire Marshal

  
\_\_\_\_\_  
Chris Martin  
Fire Chief

/rk



# Fire Inspection Report

## Detail

Printed At: 08/18/2016 13:52  
 Login ID: mbauss  
 From Date:  
 To Date:

Inspection Type: All  
 Inspected By: All  
 Inspection Status: All  
 Business/Building: All

Sterling Heights Fire Department  
**FDID Number:** 05019  
**Inspection Number:** 42233

Inspection #	Inspection Type	Name	Address	Owner	Primary Contact
42233	License-Liquor	RJ's Bar and Grill	37125 VAN DYKE AVE STERLING HEIGHTS, MI 48312	(586) 264-5262	Nick Siracoff email: nicksiracoff@yahoo.com (586)477-1260

# of 1	Inspection #	Scheduled Date	Inspection Date	Inspector	Disposition	Date	Status	Date	Remarks
1	42233	08/18/2016	08/18/2016	0606 - Bauss	Complaint	08/18/2016	Completed	08/18/2016	Completed inspection for Liquor License Transfer.
# of 3	Inspection #	Violation Date	Counts	Violation	Codebook	Description	Status	Date	Remarks
1	42233	08/18/2016	1	02. Address Posted	01: Exterior		Compliant	08/18/2016	Address missing from building and sign exterior. Owner states when canopy was replaced, address was not undated on new canopy. OK to provide numerals per city ordinance. OK to email photo of new address after installation.
2	42233	08/18/2016	1	148. Records	16: Emergency Planning		Compliant	08/18/2016	Current Occupancy is 99. If capacity exceeds 100, International Fire Code and Michigan Building Code will require this building (Assembly Use Group A-2) to be fire sprinkler protected. Post Capacity and do not exceed 99 occupant load or sprinkler system will be required.
3	42233	08/18/2016	1	69. Service Company	08: Commercial Cooking Systems		Compliant	08/18/2016	UL300 Wet Chemical Kitchen Suppression system was inspected by Cintas, no violations found per report submitted through IROL system on 5/4/2016.

**Class C Permit | PCLC16-0004**

**Property Information**

10-21-400-010-000      37125 Van Dyke      Subdivision:  
Sterling Heights MI, 48312      Lot:      Block:

**Name Information**

Owner:      THE FABULOUS FIVE, LLC      Phone:  
Occupant:      Phone:  
Applicant:      INB CORPORATION      Phone:      (586) 264 5262  
Contractor:      Phone:  
Licensee:      Phone:  
License Issued:  
License Expires:

**Permit Information**

Date Issued:      Date Expires:      Status:      READY TO ISSUE

Work Description:  
TRANSFER OF OWNERSHIP OF 2015 CLASS C/SDM LICENSED BUSINESS WITH SUNDAY SALES PERMIT (AM & PM) & DANCE ENTERTAINMENT PERMIT

Stipulations:

Comment:

**Approval - Building Inspection | Robert Earley**

Status:      Scheduled      Result:  
Scheduled:      Completed:

*Approved*  
*8-23-16*  
*B.E*

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**Proactive - Liquor License Enforcement | E16-07415**

**Property Information**

10-21-400-010-000      37125 Van Dyke      Subdivision:  
Sterling Heights MI, 48312      Lot:      Block:

**Name Information**

Owner:      THE FABULOUS FIVE, LLC      Phone:  
Occupant:      Phone:  
Filer:      Phone:

**Enforcement Information**

Date Filed:      08/22/2016      Date Closed:      08/23/2016      Status:      CLOSED

Complaint:

Last Action Date:      Last Inspection:      08/23/2016

Last Action:

**Inspection Inspection | Tom Wixson**

Status:      Completed      Result:      Complied  
Scheduled:      08/23/2016      Completed:      08/23/2016

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## Mark Carufel

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**From:** Chris McLeod  
**Sent:** September 28, 2016 12:56 PM  
**To:** Mark Carufel; Meghan Ahearn  
**Cc:** Rene Rosni  
**Subject:** RJs Liquor License Transfer PCLC16-0004

Good Afternoon Mark

I have been communicating with Michael Cacaj the applicant for RJ's and have indicated what the City requires in terms of landscaping for the site as a condition of the permit. He has indicated that he is intending to have the existing landscaping removed and is having a landscape plan prepared that will comply with City standards. He has indicated that he is willing to meet City standards and would like the site to match what the City is looking for. Based on that I do not have any objection to the granting of the liquor license transfer for 37125 Van Dyke (PCLC16-0004).

Please let me know if you have any questions.

Thank you  
Chris

**Chris McLeod, AICP | City Planner**  
City of Sterling Heights | Office of Planning  
40555 Utica Road | Sterling Heights, MI 48313  
Phone: (586) 446-2384 | Fax: (586) 276-4061  
Email: [cmcleod@sterling-heights.net](mailto:cmcleod@sterling-heights.net)  
Web: <http://sterling-heights.net>

Rec'd  
9-15-16



# CITY OF Sterling Heights

## Interoffice Memorandum

**Date:** September 9, 2016

**To:** Mark Carufel

**From:**

*Jennifer Varney*  
Jennifer Varney, Treasurer

*Maureen Proudfoot*  
Maureen Proudfoot, Account Clerk

**Subject:** Tax Search –Application for a Transfer of Ownership of an Existing Class C/SDM Liquor Licensed Business

Treasury review of the attached application has been completed. This review included status checks on outstanding property taxes as well as special assessments and invoices. The results of our review reflect the following -

Personal Taxes	10-21-400-010-001	Property Address	37125 Van Dyke
Taxable Value	28,500	Requested By	Mark Carufel
School District	Utica Community Schools	Date Requested	8/15/16
	RJ's BAR & GRILL NICHOLAS K. SIRACOFF		

### 2016 Summer Taxes

- Paid in full
- Due in the amount of \$
- Delinquent in the amount of \$
- No taxes due

### Invoices (Munis)

- Paid in full
- Due in the amount of \$
- None

### 2015 Winter Taxes

- Paid in full
- Delinquent in the amount of \$
- No taxes due

### Special Assessments

- Paid in full
- Due in the amount of \$
- Delinquent in the amount of \$
- None

### 2015 Summer Taxes

- Paid in full
- Delinquent in the amount of \$
- No taxes due

### 2014 Taxes and Prior

- Paid in full per Pat @ Macomb County
- Delinquent in the amount of \$
- No taxes due



CITY OF  
**Sterling  
Heights**

InnovatingLiving

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Interoffice Memorandum

Date: September 12, 2016

Re: Requested Information Search – 37125 Van Dyke Ave

From: Pam Ambriez & Jennifer Varney

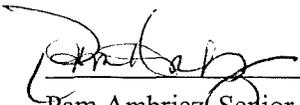
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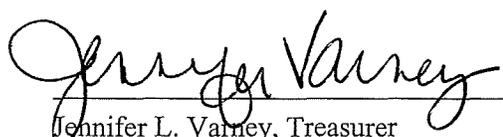
Finance review of the attached application has been completed. This review included a status check on outstanding utility bills. The results of our review reflect the following.

Utility bills are:

- Current balances of \$ 269.02
- Paid in full – balance is \$0
- Delinquent/outstanding in the amount of \$ \_\_\_\_\_
- Utility Billing is not aware of any service at that exact address

This total does not include any interim billings

  
\_\_\_\_\_  
Pam Ambriez, Senior Account Clerk

  
\_\_\_\_\_  
Jennifer L. Varney, Treasurer

If you require any additional information, please contact this office on extension 2781.

Attachment



Business of the City Council
Sterling Heights, Michigan

City Clerk's Use

Item No: 9
Meeting: 10/4/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider nominations to City of Sterling Heights Boards and Commissions

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

MC City Clerk
FB Finance & Budget Director
MK City Attorney (as to legal form)
MV City Manager
Resolution
Minutes
Ordinance
Plan/Map
Contract
Other

Check box if this agenda item requires billing/revenue collection (fees, etc.) by Treasury Office

Executive Summary:

City Council Governing Body Rule of Procedure 23, as amended on August 21, 2012, provides in relevant part as follows:

Prior to an appointment to the Planning Commission, Zoning Board of Appeals, Board of Ordinance Appeals, Board of Review, Police and Fire Pension Board, and General Employees Retirement System Board, an appointee shall be nominated, as applicable, by the Mayor or City Council at a prior regular meeting.

The vacancies for which nominations will be considered at the October 4, 2016 regular meeting are listed below:

Table with 3 columns: Board / Commission, Vacancies, Power of Appointment. Rows include Board of Ordinance Appeals II - Permanent Member and Board of Ordinance Appeals II - Alternate Member.

Applications of the residents interested in serving on the above-noted boards are attached. Spreadsheets indicating the applicants' preferences for appointment as reflected by their ranking of the respective boards and commissions, and attendance records of current members, are also attached.

Suggested Action No. 1 (To make a nomination to OBA II - Permanent Member):

MOVED BY:

SECONDED BY:

RESOLVED, to nominate \_\_\_\_\_ for consideration as a permanent member appointee to the Board of Ordinance Appeals II at the October 18, 2016 regular City Council meeting.

**Suggested Action No. 2 (To make a nomination to OBA II – Alternate Member):**

**MOVED BY:**

**SECONDED BY:**

RESOLVED, to nominate \_\_\_\_\_ for consideration as an alternate member appointee to the Board of Ordinance Appeals II at the October 18, 2016 regular City Council meeting.

**Suggested Action (To postpone a nomination(s) to a Date Certain):**

**MOVED BY:**

**SECONDED BY:**

RESOLVED to postpone a nomination(s) to the Ordinance Board of Appeals II to the \_\_\_\_\_ \_\_\_\_, 2016\* regular City Council Meeting.

[\*Future Regular Meeting Dates are October 18, 2016, November 1, 2016 and November 15, 2016].

# Board of Ordinance Appeals II

( 5 Members )

( One Vacancy )

Name	Request Re-Appt. (Yes/No)	Expiration Date of New Term	Action
1. Unexpired Term - Permanent Member		06/30/19	
2. Unexpired Term - Alternate Member		06/30/19	

## ***Applications on File:***

Brian Cole ( Economic Development Corporation/Brownfield Auth.-exp. 06/30/19 )  
Jazmine M. Early ( Arts Commission-exp. 06/30/18 )  
Junina Jean ( Zoning Board of Appeals-exp. 06/30/19 )  
Nancy E. Kijek ( Beautification Commission-exp. 06/30/19 )  
Ryan Makowski  
Louis Marinelli  
Howard Sizemore II  
Roman Stojalowsky  
Paul Zdzieblowski ( Board of Ordinance Appeals-exp. 06/30/19 )

The Board of Ordinance Appeals shall consist of five members who shall be appointed by the City Council for staggered three year terms, or until a successor has been appointed. The staggered terms shall continue to be structured so that the term of one member expires each year. The members should have varying backgrounds, and one or more of the members should have experience or training related to construction or property and building maintenance.

The City Council may appoint not more than two alternate members to the Board of Ordinance Appeals who may be called by the chairperson to participate in hearings, appeals, and variance hearings of the Board during the absence or disqualification of a member.





Business of the City Council
Sterling Heights, Michigan

DELIVERED SEP 29 2016

City Clerk's Use
Item No: 10
Meeting: 10/04/16

AGENDA STATEMENT

OMB AS03 Rev. 11/04

Item Title: To consider an appointment to a City of Sterling Heights Commission.

Submitted By: Office of the City Clerk

Contact Person/Telephone: Mark Carufel, City Clerk / Risk Manager, 586/446-2421

Administration (initial as applicable)

Attachments

Table with 4 columns: Initials, Title, Attachment Type, and Attachment Name. Rows include City Clerk, Finance & Budget Director, City Attorney, and City Manager with corresponding attachment options like Resolution, Ordinance, Contract, Minutes, and Plan/Map.

Check box if this agenda item requires billing\revenue collection (fees, etc.) by Treasury Office

Executive Summary:

Due to a resignation, a vacancy exists on the seven-member Elected Officials' Compensation Commission. This vacancy is not subject to the two-step nomination / appointment process under Governing Body Rule of Procedure 23.

The Mayor has the power of appointment to the Elected Officials' Compensation Commission, subject to confirmation by the City Council. This appointment will be for a term expiring June 30, 2022.

Applications of the residents interested in serving on the above-noted commission have been provided to City Council. Spreadsheets indicating the applicants' preferences for appointment as reflected by their ranking of the respective boards and commissions are also included in the attached materials.

Suggested Action (To appoint):

MOVED BY:

SECONDED BY:

RESOLVED, to appoint \_\_\_\_\_ to the Elected Officials' Compensation Commission to a term ending June 30, 2022, subject to the appointee meeting the qualifications set forth in Charter §4.03 and taking the oath of office within two weeks.

**Suggested Action (To Postpone Appointment(s) to a Date Certain):**

**MOVED BY:**

**SECONDED BY:**

RESOLVED to postpone the appointment to the Elected Officials' Compensation Commission to the \_\_\_\_\_  
\_\_\_\_, 2016\* regular City Council Meeting.

[\*Future Regular Meeting Dates are October 18, 2016, November 1, 2016 and November 15, 2016].

# Elected Officials Compensation Commission

( 7 Members )

( One Vacancy )

Name	Request Re-Appt. (Yes/No)	Expiration Date of New Term	Action
1. Unexpired Term		06/30/22	

## ***Applications on File:***

Mohammed Alomari ( Ethnic Community Committee-exp. 06/30/17 )  
Jazmine M. Early ( Arts Commission-exp. 06/30/18 )  
Kozeta Elzhenni ( Citizens Advisory Committee-Community Development BI Grant-exp. 06/30/17 )  
( Ethnic Community Committee-exp. 06/30/18 )  
Jodie Horan  
Junina Jean ( Zoning Board of Appeals-exp. 06/30/19 )  
David Kozlowski  
Robert Ljucovic ( Beautification Commission-exp. 06/30/19 )  
Robert Lulgjuraj ( Ethnic Community Committee-exp. 06/30/19 )  
Louis Marinelli  
Michael Sauger ( Board of Ordinance Appeals II-exp. 06/30/19 )  
( Board of Ordinance Appeals-exp. 06/30/19 )  
Howard Sizemore II

The Commission shall consist of seven members who shall be appointed by the Mayor, subject to confirmation by a majority of the members elected and serving on the City Council. No member or employee of the legislative, judicial or executive branch of any level of government or members of the immediate family of such member or employee shall be eligible to be a member of the Commission. All appointments to the Commission shall be for a term of seven years.

		"A" means the individual is <b>already appointed</b> to Board or Commission denoted											"E" means the individual <b>has been elected</b> to Board or Commission denoted																		
		shaded area means Board or Commission that is appointed by the Mayor with confirmation of City Council																													
		the number is the ranking given by the applicant to that Board or Commission they are interested in																													
		Total Board and Comm. Assign	Arts Commission	Beautification Commission	Board of Code Appeals	Board of Ordinance Appeals	Board of Ordinance Appeals II	Board of Review	Building Authority	Citizens Advisory Committee	Civil Service Commission Act 78	Corridor Improvement Authority	Civil Service Comm - Charter	Econ Dev Corp\Brownfield Authority	<b>Elected Officials Comp Comm</b>	Election Commission	Ethnic Community Committee	Historical Commission	Housing Commission	Library Board of Trustees	Local Development Finance Authority	Pension Board Gen Emp	Pension Board Police & Fire	Planning Commission	Solid Waste Mgt Comm	Telecommunication Comm	Transportation Advisory Comm	Zoning Board of Appeals			
ALOMARI	MOHAMMED	1	17			1		5	7		8		9		2	3	A		10	13	11										1
EARLY	JAZMINE	1	A	20	25	2	2	12	21	5	19	18	24	23	17	16	3	15	4	14	13	22	11	6	1	10	9	7		16	
ELZHENNI	KOZETA	2	17	4	15	10		12	18	A	11	18	16	14	20	21	A	22	23	25	19	18	17	16	17	19	18	8		1	
HORAN	JODIE	0													1															1	
JEAN	JUNINA	1	7	2	25	24	23		1	5	21	6	20	22	19	18	3	8	9	16		14	13	12	11	10	11	A		1	
KOZLOWSKI	DAVID	0									1				3															2	
LJUCOVIC	ROBERT	0		2											3						1		4							2	
LULGJURAJ	ROBERT	2	6	A	24	2		10	20	5	9	12	3	4	7	22	A	6	7	18	4	23	19	8	11	14	13	15		1	
MARINELLI	LOUIS	0	5	2	5	6	6	8	9	6	4	9	10	7	25	6	7	3	6	8	7	23	24	1	6	3		1		1	
SAUGER	MICHAEL	1				Alt	A								5	4						3	2							1	
SIZEMORE II	HOWARD	0	22	19	20	21	22	23	15	8	4	13		1	7	9	16	17	12	24	3	10	11	2	14	15	6	5		1	