



**Sterling Vision**  
A Managerial and Strategic Planning Presentation  
February 12, 2013



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# 2013 Strategic Planning Session

Tuesday, February 12, 2013

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**2013 Strategic Planning Session**  
**Tuesday, February 12, 2013**  
**7:00 pm - Council Chambers**

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**I. Year in Review**

*- M. Vanderpool, City Manager*

**II. Survey Update**

*- S. Guitar, Community Relations Director*

**III. New Code Enforcement Program**

*- D. Gerstenberg, City Development Manager*

**IV. Economic Development Update**

*- K. Green, Economic Development Manager*

**V. Council Comments & Feedback**



## VISION STATEMENT

The City of Sterling Heights, chartered in 1968, is a Michigan Municipal Corporation. It is the mission of the city government to enhance the quality of life within the corporate boundaries by providing outstanding public service in partnership with the community by:

- ❑ Protecting the public health and environment
- ❑ Ensuring the public safety
- ❑ Building and maintaining the public infrastructure
- ❑ Developing and maintaining public parks and recreation facilities
- ❑ Promoting planning that meets community needs and balances growth with infrastructure capacity
- ❑ Ensuring efficient and effective management of the public's financial and physical resources
- ❑ Encouraging respect for and celebrating of the diverse social and cultural heritage of our residents
- ❑ Promoting public awareness and participation in government planning, decision-making, and policy development
- ❑ Promoting and recognizing outstanding public service by volunteers, residents, and city employees
- ❑ Ensuring access to educational and informational resources through the operation of a public library

# STRATEGIC PLANNING

February 2013

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## PERFORMANCE SCORECARD



*Sterling Heights is renown for small government,  
excellent services and low taxes.*

## PERFORMANCE SCORECARD

CITY COSTS	
Total City Budget	Lowest in 9 years
Decrease since 2007	\$19.5 million
% of budget for Public Safety/DPW	78%

## PERFORMANCE SCORECARD

COST OF GOVERNMENT TO RESIDENTS	
Property tax bills	Lowest in 12 years
Decline in tax bills since 2008	\$529 or 19.1%
City tax rate	Lower than 90% of MI cities Lowest of any Macomb County city
City taxes per month	Less than \$65
Water & sewer bills	Lowest of comparable cities

## PERFORMANCE SCORECARD

EMPLOYEE COST SAVINGS	
Employee concession savings	15%
Employee savings since 2002	\$27 million
Fixed pensions for new general employees	Eliminated 1997
Retiree health care for new hires	50% eliminated 2007
General employees	100% eliminated 2011
Fire Fighters	100% eliminated 2013

## PERFORMANCE SCORECARD

EMPLOYEE COSTS	
Employee health care savings	\$1.5 million annually
Employee overtime reduction	\$1.9 million
Number of FT City employees	484 Lowest since 1970's Lowest of comparable cities
FT City employee reduction	165 since 2002
% reduction in FT employees	25.4%
Non-public safety personnel reductions	>75% of total

## PERFORMANCE SCORECARD

CITY FINANCIAL SCORES (due to cost savings)	
Bond rating	AA+ Among the highest of comparable cities and Macomb County cities
State fiscal health score	2 (1 = best; 10 = worst) Best score of comparable cities No Macomb County community with higher rating
Unqualified audit	Highest rating possible

## PERFORMANCE SCORECARD

LONG-TERM OBLIGATIONS	
City debt per resident	Lowest in 25 years
New debt in past three years	\$0
City debt	Lowest of comparable cities
Debt maturing in ten years	89.6%
Funding of long-term retirement liabilities	100%

## PERFORMANCE SCORECARD

ECONOMIC STRENGTH	
New business investments in the City	Over \$1 billion
City unemployment rate	Now below State & Federal rates
City population growth	4.2% increase since 2000 Only large MI city to increase
Median income	22% above State average
Business incubator in City	Only one in Macomb County
Foreclosure rate	13 <sup>th</sup> lowest in County
Housing vacancy rate	Lowest of all Macomb County cities

## PERFORMANCE SCORECARD

CITY SERVICES	
Crime rate	Safest large MI city
Crime statistics	Fallen 5 straight years to 10 year low
Traffic accidents	10 year low
Fire response times	Top 10% of U.S. cities
Property maintenance inspections	135% increase in 10 years
Service sharing initiatives & consolidation	Over 50 examples, saving over \$21 million; founded MACRO

### Total Government Debt Per Resident

1. Dearborn	\$2,466
2. Lansing	2,386
3. Ann Arbor	2,169
4. Warren	1,192
5. Southfield	963
6. Grand Rapids	961
7. Livonia	693
8. Troy	343
9. Farmington Hills	244
10. STERLING HEIGHTS	222

### Full-time Employees per 1,000 Residents

1. Grand Rapids	8.2
2. Southfield	7.4
3. Lansing	7.4
4. Dearborn	7.1
5. Ann Arbor	6.0
6. Livonia	5.8
7. Warren	4.6
8. Farmington Hills	4.2
9. Troy	3.9
10. STERLING HEIGHTS	3.7

### City Bond Ratings

1. Troy	AAA
2. <b>STERLING HEIGHTS</b>	<b>AA+</b>
3. Ann Arbor	AA+
4. Farmington Hills	AA+
5. Grand Rapids	AA
6. Lansing	AA
7. Livonia	AA
8. Southfield	AA
9. Warren	AA
10. Dearborn	A+

### Average Monthly Residential Water & Sewer Bill

1. Lansing	\$99
2. Southfield	81
3. Grand Rapids	76
4. Dearborn	71
5. Farmington Hills	62
6. Ann Arbor	55
7. Troy	55
8. Warren	52
9. Livonia	52
10. <b>STERLING HEIGHTS</b>	<b>43</b>

# STRATEGIC PLANNING

February 2013

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# COMMUNITY RELATIONS DIRECTOR

Steve Guitar



# Final Results

## TIME LINE

### September 2012

InfoGroup selected to conduct residential survey for City of Sterling Heights

- Designed to help prioritize services, gauge satisfaction levels, and help formulate future policy

### November 2012

Survey fielded via mail and email

- Sample list randomly chosen from InfoGroup's consumer database of Sterling Heights residents
- Approximately 90 questions
- 6 open-ended questions

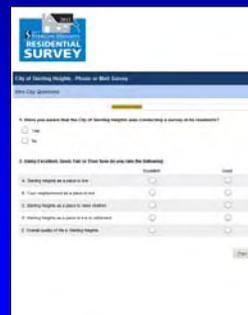
### January 2013

Data collection ends

- Analysis and Report Development

### February 2013

Final Report published





## FINAL RESULTS PRESENTATION



Presented by:

*Bernie Galing*

Director Market Research

Database Analytics Division



### Sample Size

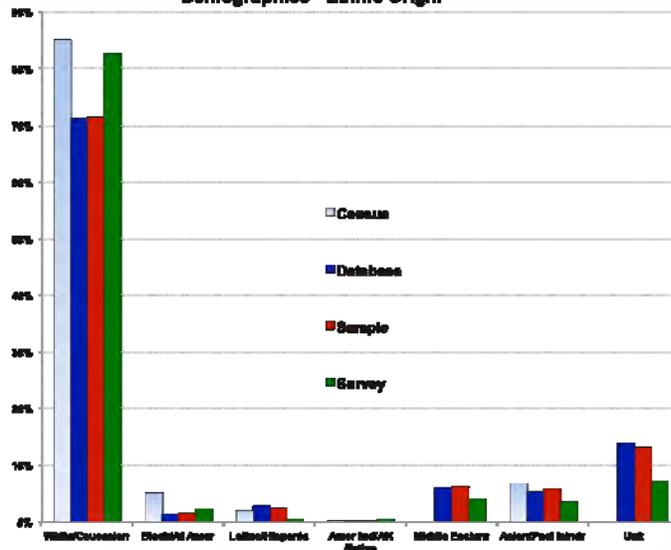
Sample size selected to assure statistical validity at:

95% confidence level

±5% margin of error

Same criteria used for 2006 Residential Survey

### Demographics - Ethnic Origin

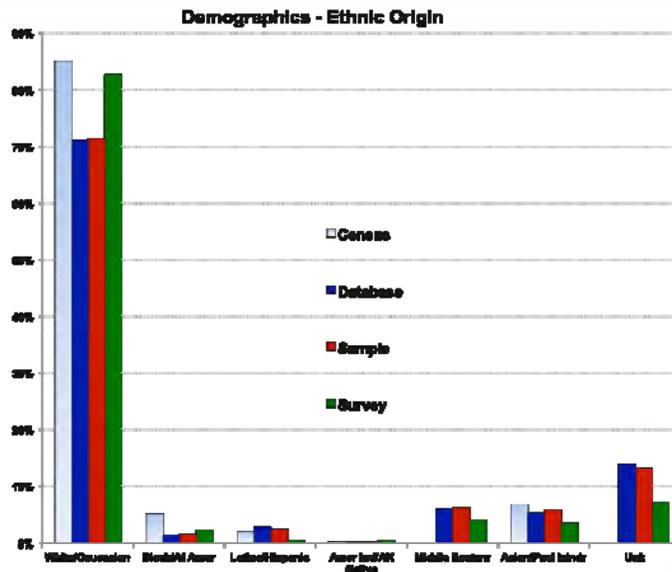




### Sample Size

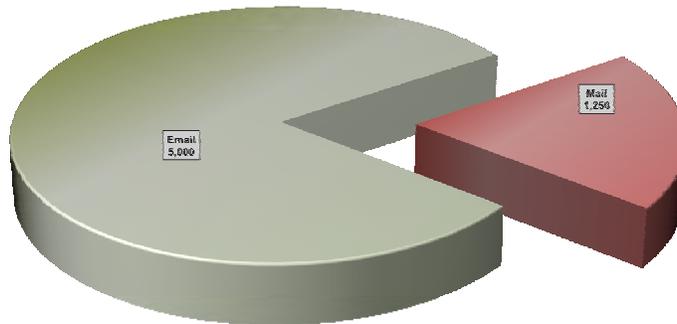
384 responses required  
476 actually received

Sample randomly chosen from InfoGroup's consumer database



### Sampling Methodology

- Two survey samples randomly chosen based on household:
  - Households with an email address
    - email survey
  - Households without an email address
    - mail survey



Email addresses over-sampled because of lower response rates:

5,000 residents sampled with email addresses  
1,250 residents sampled without email addresses

Overall survey response rates:

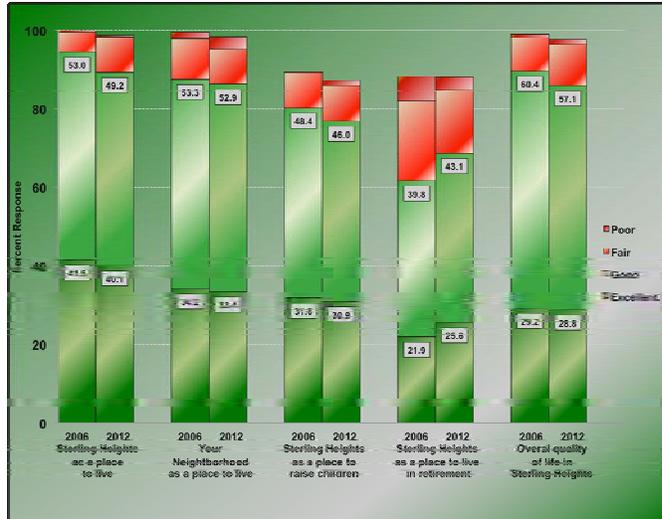
Email → 3.5%      Mail → 24.0%



## Key Results – Good Place to Live



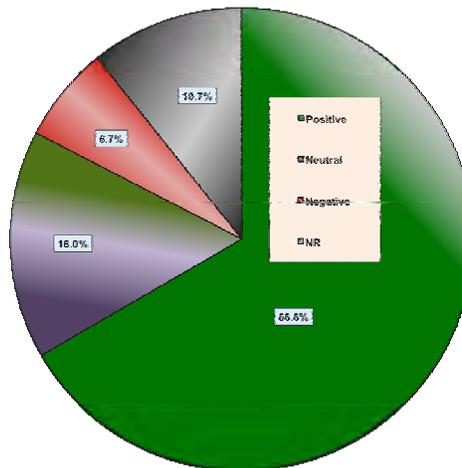
- Sterling Heights is a good place to live
  - Most questions over 75% positive (“Excellent” or “Good”)
  - Quality of life 86% positive
- Results very similar to those from 2006 survey
- Place to retire slightly better than 2006



## Key Results – Positive Feelings about the City



- Top responses when asked to describe Sterling Heights in a single word:
  - Home/Family 13.7%
  - Safe 11.3%
  - Nice/Clean 10.3%
  - Good 9.5%
  - Diverse 5.7%
- People are also positive about the words they used to describe the city:
  - Positive 66.6%
  - Neutral 16.0%
  - Negative 6.7%

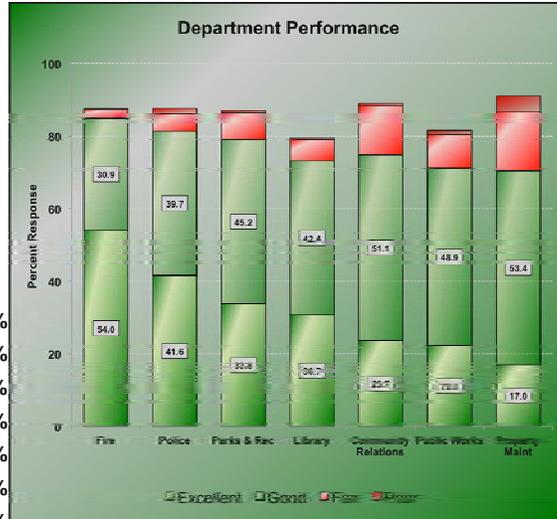


## Key Results – Departments Performing Well



- The performance of all city departments is rated “Excellent” or “Good” by 70 percent or more of survey respondents:

– Fire	84.9%
– Police	81.3%
– Parks & Recreation	79.0%
– Library	73.1%
– Community Relations	74.8%
– Public Works	71.2%
– Property Maintenance	70.4%



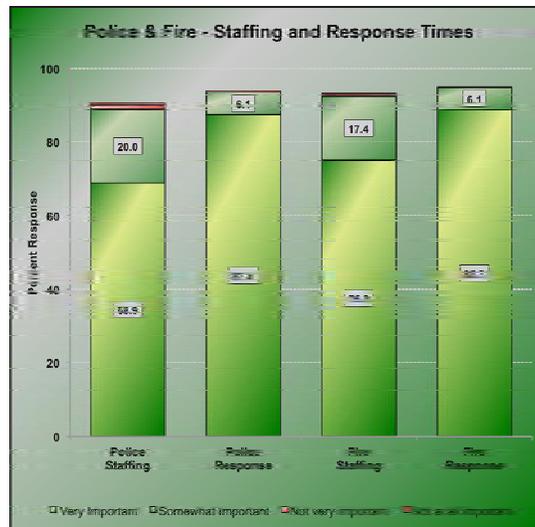
## Key Results – Police & Fire Staffing/Response are Important



- Almost everyone felt police & fire staffing and response times were “Very Important” or “Somewhat Important”:

– Police Staffing	88.9%
– Police Response Times	93.5%
– Fire Staffing	92.4%
– Fire Response Times	94.8%

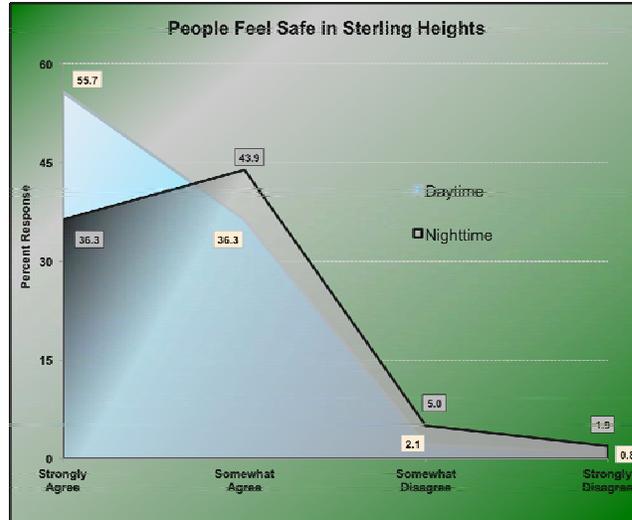
- Very few negative (“unimportant”) responses



## Key Results – Most Residents Feel Safe in the City



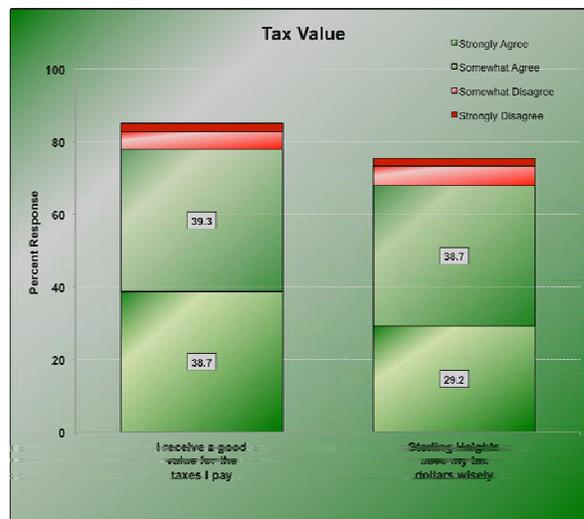
- People generally feel safe in Sterling Heights:
  - During the day 92.0%
  - At night 80.2%
- Very few indicate they don't feel safe



## Key Results – Good Value for Taxes Paid



- Over three-fourths of respondents feel they get a good value for the taxes they pay to the city.
  - Good value → 78%
  - Not a good value → 7%
- Furthermore, most respondents feel the city uses their tax dollars wisely
  - Taxes used wisely → 68%
  - Taxes not used wisely → 8%
- Sterling Heights is doing a good job with resident's tax dollars



## Key Results – Keep Police & Fire Staffing at Current Levels

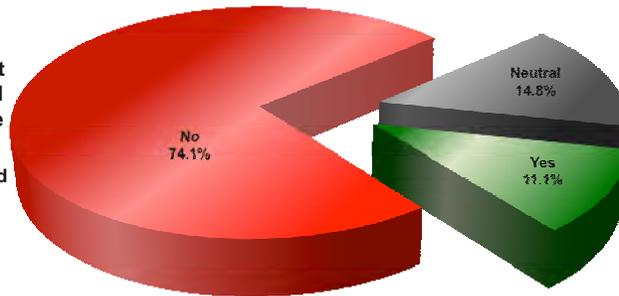


### Layoff Additional Police & Fire

- Clearly, vast majority of respondents do not want to see additional layoffs of police & fire personnel

- Performance is good (> 81%)
- Current staffing important (> 90%)
- Response times important (> 93%)
- Feel safe (92%)

- Some concern that maintaining current staffing levels will cause taxes to increase (11.1%)



## Key Results – Some Support for Millage Rate Increase



### Increase Millage Rate

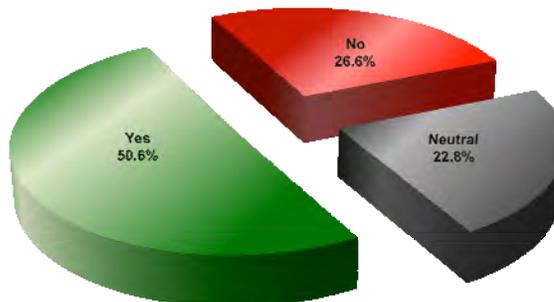
- About half of respondents support (to some degree) a millage rate increase to maintain current police & fire staffing levels

- 25% “strongly” support this measure

- Almost a quarter (23%) are neutral

- About a quarter (27%) oppose this measure

- 13.8% “strongly” disagree



## Key Results – Most Believe City Should Not Reduce Services



Where <b>SHOULD</b> the city reduce services?	Percent
No Cuts	26.5%
City Employees/Offices	5.0%
Radio/Sterling Heights Television	4.0%
Parks & Recreation	3.8%
Police/Fire/Public Works	2.5%
Roads/Recycling	2.5%
Community Relations	0.2%
Other	6.9%
No Response	48.5%

**26.5% said NO CUTS**  
(this is more than those who said something **SHOULD** be cut)

Only 24.9% indicated areas where services **SHOULD** be cut

Almost half had no response

Where <b>SHOULD</b> the city <b>NOT</b> reduce services?	Percent
Police & Fire	41.8%
No Reductions	6.7%
Roads/Trees	4.0%
Recycling/Trash	2.1%
Snow Removal	1.7%
Schools/Library	1.5%
Other	6.5%
No Response	35.7%

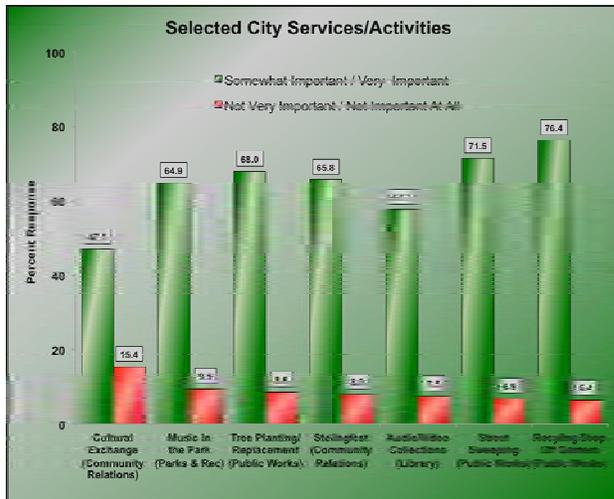
**Don't cut Police & Fire!**



## Key Results – Some Services Have Relatively High “Negatives”



- Some city services are not very important to a relatively large portion of respondents
  - Negatives much more “powerful” than positives
  - Over 5% negative responses should be examined closely
- “Negatives” **DO NOT** mean services should be reduced – only that these should be reviewed in terms of cost/benefit



## Key Conclusion #1 – Don't Cut Police & Fire Positions



- Don't cut Police & fire staffing levels
    - People generally feel safe even though some indicate crime is increasing
    - Over 90% feel police & fire response times are important
    - Over 90% feel police & fire staffing levels are important
    - Over 80% rate police & fire performance as “excellent” or “good”
  - Strong base of support for maintaining Police & Fire staffing
    - 74% disagree that current levels should be reduced
    - 65% agree or are neutral that millage rates should be increased
      - 48% agree
      - 17% neutral
- BUT . . .**
- Substantial opposition to further tax increases
    - 26.6% disagree with increased millage rates



## Key Conclusion #2 – The City is Moving in Right Direction

(“Excellent” or “Good” Responses)



	<u>2006</u>	<u>2012</u>
– Sterling Heights as a place to live	94.5%	➔ 89.3%
– Your neighborhood as a place to live	87.5%	➔ 86.3%
– Sterling Heights as a place to raise children	80.2%	➔ 76.9%
– Sterling Heights as a place to live in retirement	61.7%	➔ 68.6%
– Overall quality of life in Sterling Heights	89.6%	➔ 85.9%

- All city services have good performance
  - Rated “good” or better by 70% or more of respondents
  - 83% agree that the city provides quality services
- Residents get a good value for the taxes they pay (78%)
- City uses tax dollars wisely (68%)
- 82% would recommend Sterling Heights as a place to live to a friend or relative
- 76% agree city is moving in the right direction
  - 68% agree that city policies encourage business development





## ACTION PLAN

### Administrative Analysis

Department directors and manager to review results to assist in prioritizing city programs and improve the efficiency of service delivery

### Budget Impact

Survey results will help formulate policies and refine services that could be reflected in upcoming budgets



## Final Results

[www.sterling-heights.net](http://www.sterling-heights.net)



# STRATEGIC PLANNING

February 2013

# CITY DEVELOPMENT MANAGER

Denice Gerstenberg



## HIGHLIGHTS OF CURRENT CODE ENFORCEMENT PROGRAM

- Over 20,000 total inspections performed annually
- Mowed grass & weeds on over 1,300 properties







### HIGHLIGHTS OF CURRENT CODE ENFORCEMENT PROGRAM

- Four (4) 2012 Pride & SHINE Clean Up Days
- Over 200 SHINE volunteers
- Assisted 55 residents with clean up projects
- Assisted over 20 residents with small outdoor maintenance projects
- Inspected over 200 residential subdivision court islands



## HIGHLIGHTS OF CURRENT CODE ENFORCEMENT PROGRAM

Last year almost 400 properties were sent to the Ordinance Board of Appeals for nuisance abatements











## PROGRAM GOALS

1. Increase *proactive* enforcement
2. Integrate SHINE principles of education & community partnership
3. Clean up faster
4. Develop a fee structure



## PROPOSED PROGRAM CHANGES

- Add part-time inspectors
- Add one (1) additional monthly DAYTIME Ordinance Board of Appeals (OBA) meeting
- Encourage seven (7) day clean-ups
- Start non-homestead, single-family residential exterior inspections



**PROPOSED INSPECTOR RESPONSIBILITIES**

- Respond to complaints
- Complete proactive assessments
- Distribute SHINE tags & “Rock Star” awards
- Inspect non-homestead single-family residential properties



**CURRENT & PROPOSED FEE STRUCTURE**

	Current Fee	Proposed Fee
Inspection #1 – View violation	\$0	\$0
Inspection #2 – Follow up	\$0	\$0
Each additional inspection	\$0	\$56
Sent to OBA but cleaned up prior to meeting	\$0	\$218
Sent to OBA & cleaned up per OBA	\$218 + contractor cost + 25%	\$218 + contractor cost + 25%

## PROPOSED FEE FOR NON-HOMESTEAD SINGLE-FAMILY RESIDENTIAL EXTERIOR INSPECTIONS

Every other year assessment

\$125



## TIMELINE

- |            |  |
|------------|--|
| Feb 2013   | - Program introduction to City Council<br>- Proposed ordinance changes to City Council |
| March 2013 | - Hire Part Time staff<br>- Establish new OBA  |
| April 2013 | Train staff  |
| May 2013   | Launch program   |

# STRATEGIC PLANNING

February 2013

# ECONOMIC DEVELOPMENT MANAGER

Kasey Green

# Development in the City Year in Review

## KEY COMMERCIAL PROJECTS



E.A. Graphics on Van Dyke  
\*Under Construction



Beaumont on Dequindre

### KEY COMMERCIAL PROJECTS



Suburban Ford



Vyletel Buick GMC



Buff Whelan  
Chevrolet



Sterling Heights  
Dodge Chrysler

### KEY COMMERCIAL PROJECTS



McDonald's on  
15 Mile



CVS on Hayes



McDonald's on  
Van Dyke



Subway on Van  
Dyke

**KEY COMMERCIAL PROJECTS**



Flagstar on  
Schoenherr



Flavor Flav's Chicken and  
Ribs on 15 Mile

**KEY COMMERCIAL PROJECTS**



Christian Financial  
Credit Union on  
Lakeside Circle



Art Van Pure Sleep at  
Hayes  
\*Under Construction

## KEY COMMERCIAL PROJECTS



Planet Fitness on 15 Mile



LA Fitness at M-59 &  
Mound

\*Example

## KEY INDUSTRIAL PROJECTS



**\$336 IN NEW INVESTMENT**

**BAE**



**\$58 MILLION**

**CHRYSLER**



**OVER \$1 BILLION**  
**\*Under Construction**

**FORD**



**\$86 MILLION (MOUND) & \$85 MILLION (VAN DYKE)**

**GENERAL DYNAMICS**



**\$6.3 MILLION**

**AGS**



**\$21 MILLION**

**\*Under Construction**

**VELOCITY**



## VELOCITY



## KEY STATISTICS



## CONCLUSION



# STRATEGIC PLANNING

February 2013

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