

Grosse Pointe NOW

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Spring 2017



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City Awarded AAA Bond Rating

The City of Grosse Pointe recently earned the coveted AAA bond rating, the highest possible financial rating. Standard and Poor's (S&P), a recognized leader of independent credit ratings, announced the news on March 22. The City was upgraded from AA+, the second highest rating, which the City has historically held.

The S&P Global Ratings service stated that the upgrade reflects [S&P's] view of the city's strong budgetary performance and strong management team that has facilitated the maintenance of very strong budgetary flexibility and liquidity.

The 'AAA' rating is based on many factors, including strong management conditions with good financial policies and practices, strong budgetary performance, and a strong local economy. The City joins the ranks of only a few municipalities in the entire State of Michigan to share the top rating.

The upgrade is the recognition of the financial direction set by the City Council. Last year, the Council formally adopted a strict fund balance policy to increase reserves to at least 25% of its annual General Fund operating budget, a goal which was achieved. It also reflects how City officials have proposed and implemented fiscally responsible budgets that consistently delivered high-quality local services without overspending budgeted allocations.

The 'AAA' rating represents an independent and trusted validation of the City's excellent financial stewardship of taxpayer resources. Every employee, elected official, citizen, and business in the community should be proud of this accomplishment and deserve a big 'thank you' for their contributions to ensure that the City came out of the Great Recession on a sound financial footing.

Bonds Sold

S&P undertook the rating review noted above during the course of the City's preparations to issue \$2.2 million in water system improvement bonds and to refinance the City's existing parking structure bond at lower interest rates.

Water Bonds

With the AAA rating the City was able to issue 20 year water bonds with a low True Interest Rate of 3.08%. The bonds will be paid back from Water & Sewer Fund. The estimated increase for the average residential water user is about \$3 per month. The water main upgrades are currently being bid out and are anticipated for construction starting in the Summer of 2017. The planned improvements are:

Cadieux: Replace and upgrade 6" main to 12" under road on the City side for 1,710

feet from Kercheval to Charlevoix

Maumee: Replace and upgrade 6" main to 12" under sidewalk on south side for 290

feet from Roosevelt to Washington

Washington: Replace and upgrade 6" main to 12" main under sidewalk on east side for

925 feet from Maumee Avenue to St. Paul

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City News

AAA Bond Rating article continued from Page 1

Washington: Replace and upgrade 6" main to 12" under sidewalk on east side for 3,850 feet from

Waterloo to Mack

Notre Dame: Replace and upgrade 6" main to 8" under road on east side for 200 from alley behind

Kercheval Avenue to 702 Notre Dame

The replacement of old 6" mains with 12" diameter mains in these locations will complete a long planned water system improvement to create a high capacity water main loop within the community. The most recent construction on the plan for the large diameter main loop occurred on Mack Avenue when that streetscape project was also completed in 2012. The loop will increase fire hydrant flows and provide for more consistent water pressure throughout the City's system. There are multiple advantages of issuing bonds for these projects. First, the cost of these improvements will be spread out over a long period of time, over a portion of the lifetime of the water mains. Secondly, the cost of borrowing is still at nearly historically low levels. Third, by combining the segments of this 12" main project into one construction contract, there is an expected cost savings than from bidding them out individually.

2007 Parking Bonds Refinanced

DTE Energy

Taking advantage of the low interest rate environment, the City also successfully reduced the cost of paying back the bonds issued in 2007 that financed the Village's Parking Structure. These bonds are paid back by the Parking Fund, which collects revenues from users of the City's public parking system. The True Interest Rate was lowered from the original 4.18% interest rates down to 2.53%. This will save the Parking Fund at total of \$266,608 over the remainder of the term of the bonds. The City's bond agent, Stifel Nicolaus, estimated that at least \$30,000 of the savings resulted from the upgrade in the City's bond rating to the highest level of AAA. Issuance costs were reduced by refinancing this 2007 bond at the same time as the new bond for the water system upgrade was issued.

DTE Energy Gas Upgrades Infrastructure in Grosse Pointe

Starting this year and continuing throughout 2018, DTE Energy crews will be at work upgrading Grosse Pointe's natural gas infrastructure, replacing older steel lines with durable polyethylene lines – in an effort to keep DTE Gas systems reliable for years to come. DTE Energy gas crews in 2017 will replace more than 140 miles of lines in its service territory as part of a multi-year program to enhance the company's natural gas infrastructure. Last year, work focused in Grosse Pointe Woods and Shores, and has started already in Grosse Pointe Farms. Grosse Pointe is up next as company moves through the City and into Grosse Pointe Park this year and next. The upgrade also includes replacing cast-iron main lines as well as updating natural gas meters and relocating meter equipment to building exteriors. The new flexible polyethylene lines are easier to transport, less costly to install and are corrosion resistant. The pipe walls are thicker than those they replace and are also more resistant to cracks and pressure, reducing the potential for leaks.

Every street in Grosse Pointe will need the new gas lines and every house will need new connections. This will require digging in parkways, across some streets, under sidewalks, and up to your new meter location - - now to be located outside. Most of the work is done with underground directional boring rather than open trenches to reduce the amount of digging needed. After the natural gas lines are upgraded, DTE is required to restore lawns, sidewalks, driveways and streets to their previous condition. Until your block is upgraded, the City cautions that you may wish to avoid any major landscaping work in the parkways, near where your gas lines enter your house, or work on the sidewalks in front of your house along the street.

The City of Grosse Pointe is working with DTE in an effort to coordinate this work with City projects and to share information about this major undertaking. When it is your neighborhood's turn for the gas work, DTE will send you a letter notifying you that work will be started soon. DTE will need access to your interior gas meter, so it is important to respond quickly to appointment

requests to keep the amount of disruption time to a minimum for you and your neighbors.

For more information about the renewal program, visit <u>dteenergy.com</u> and check out the gas renewal section.

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City News

Council Selects Development Team to Explore Village Hotel Project

In March, the City Council voted to work with Pedersen Development Company to determine the feasibility of building an upscale hotel and condo development in The Village. Pedersen was one of three groups, each with local ties, that submitted responses to the City's request for proposals for a mixed-use development project featuring a hotel. The sixmonth agreement will allow the City and Pedersen Development Company to explore the feasibility, financing, and design of the project.

The new development would be built on City-owned Lots 2 and 3, on the north side of Kercheval, areas that have been long targeted for development by the City's approved downtown plan. A hotel serving the Grosse Pointes, while addressing a community need, would also serve as a draw to Village businesses. A 2016 study by Oxford Economics found that for every \$150 spent on lodging, another \$56 is spent on food and beverages outside the hotel, as well as \$64 on retail and recreation.

Pedersen was the only one of the three firms that lined up a hotel partner and commissioned a professional hospitality market study. Pedersen proposes to build a Cambria Suites hotel, the upscale brand of the Choice hotel chain, in partnership with CERES Enterprises, a well-established hotel owner and operator based in Ohio.

Because it would be built on all or parts of the two existing parking lots in The Village, the development would require construction of a parking structure. The City has hired an independent parking consultant, Rich Associates of Southfield, to determine how much parking will be required in each of the two lots to meet the needs of the existing businesses as well as the new development. The City will also hire its own hotel and development expert to conduct due diligence on the proposed development. This due diligence is reimbursed by a non-refundable fee charged to the developer.

Over the next six months, the developer will hold public meetings on the project design and will meet with the adjacent business and property owners to obtain feedback. The developer is required to conduct a traffic study, as well as develop a staging plan to minimize impact on existing businesses during construction.

If all of the details regarding the design, impact and financing of the project can be addressed or worked out during the six-month period, the City and Pedersen will enter into a development agreement. The agreement, which would spell out what is expected of the developer, would require approval by City Council and be subject to a public hearing.

The City encourages community participation in this important development process. Please watch for notices of hotel-related meetings. A section of the City's website has been established to share information about the project at www.grossepointecity.org. Feel free to share your thoughts, issues or concerns with the City at city@grossepointecity.org.

Items to Remember

- Yard waste collection began April 3 see page 5 for information
- City Offices closed on April 14 for the Good Friday -Easter holiday
- Mayors' Prayer Breakfast Thursday, May 4, 2017 at 7:30 am at Grosse Pointe Yacht Club. Tickets are \$25 and available at City Hall.
- Pool opens at Neff Park on May 27
- City Offices closed on May 29 for the Memorial Day holiday

Upcoming Meetings Council Chambers - 17145 Maumee Ave. May 8 Budget Hearing 7:00 pm May 15 City Council 7:00 pm June 19 City Council 7:00 pm July 17 City Council 7:00 pm

Park Pass Reminders

Emergency response forms need to be returned to the City by May 1. Forms can be dropped off at City Hall, the Parks and Recreation office, or mailed back in the provided envelope.

A valid park pass will be required to enter Neff Park beginning May 1.

Public Works News

Water Main Flushing Program Begins April 20, 2017

Based upon recommendations from the Department of Environmental Quality, the City Water Department has implemented a bi-annual water main flushing program which began in 2005. The purpose of the program is to improve water quality, water pressure and fire flows for our City residents and businesses.

Over time, tuberculation, which is caused by oxidation, forms deposits on the internal walls of the mains. As this buildup increases, flow capacity decreases. By flushing water mains, which involves opening fire hydrants systematically, the rapid flow of water through the main carries out sediment, thereby improving water flow. This process begins with the large transmission mains and then proceeds block by block. In addition to cleaning out mains, the program gives City personnel an opportunity to exercise valves and fire

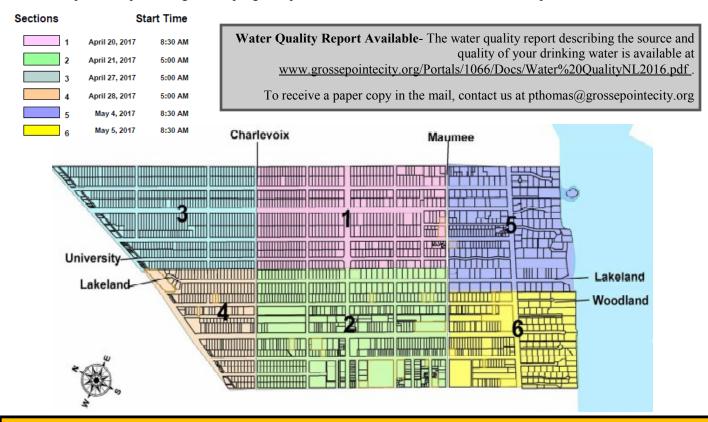
Special Note
Your home/business will
receive a hand-delivered
notice advising when the
water main on your street
will be flushed.

hydrants. If any problems are found during this process, they will be repaired or replaced, thus ensuring that they all will work optimally when needed.

After main flushing, it is common to have temporary cloudiness and/or discoloration of tap water. Although this water is safe to drink, it is recommended that homeowners run water from their basement faucets until the water runs clear after their main has been flushed. To avoid potential staining of laundry, it is also recommended that you refrain from using your washing machine for 24 hours after the procedure is completed.

The first of six zones will be flushed starting on April 20. The remainder of the City will be completed within three weeks. A complete schedule is available at City Hall or on the website www.grossepointecity.org. Flushing will begin at 5:00 am in Zones 2, 3, and 4 at 8:30 am in Zones 1, 5, and 6 and will conclude that day. After the hydrants have been flushed on a given street, a street sweeper will clean up if necessary.

Your patience and cooperation is appreciated during this important flushing program. If you have any special concerns or questions pertaining to this program, please contact the Grosse Pointe Water Department at 313-885-5800.



Public Works News

Yard Waste Pickup Guidelines

- Yard waste pickup began April 3 & continues until leaf pickup starts in the fall.
- The best way to dispose of yard waste is by using a green City yard waste cart. It can hold far more than paper bags or containers purchased elsewhere and it has wheels so you can roll it around your yard and to the curb. You may also place yard debris in waste containers labeled with a "yard waste sticker" or use a biodegradable brown paper bag. Stickers and information about purchasing a City yard waste cart are available at City Hall or on the City's website. Biodegradable brown bags can be found at local hardware or lawn/garden stores.
- Plastic waste containers with stickers & biodegradable bags shall *not* weigh more than 50 lbs. and/or be larger than 32 gallon capacity. Carts purchased from the City have no weight limit.
- Please do not mix your yard waste with any household rubbish.
- Yard Waste will not be picked up in plastic bags at any time!
- Yard waste accumulated by private landscapers will not be collected by the City and must be removed by the contractor.
- All branches and limbs shall be neatly placed at curb on your pickup day all facing the same direction (trunks toward curb). Limbs shall not exceed six (6) feet in length. Intertwined brush shall be bundled
- Yard waste should be placed at the curb prior to 7:30 am on your rubbish day.
- \$75.00 charge will apply for special pickup requests.
- **Reminder** Yard waste should not be placed at the curb prior to 4:00 pm on the day before your scheduled pick up day.

City Yard Waste Carts

For Sale \$65

Contact City Hall

All empty containers (rubbish and/or recycling bins/carts & yard waste containers) must be removed from the curbside by the evening of your regular collection day. *Thanks for your help!*

The annual Household Hazardous Waste Day will be held at Windmill Pointe Park, 14920 Windmill Pointe Dr., Grosse Pointe Park on Saturday, April 29, 2017 from 9:00 am — 2:00 pm.

Rubbish and Recycling Pickup and Spring - Summer Holidays

Rubbish and recycling pickup will be delayed one day the week of:

May 29 for Memorial Day holiday

Rubbish and recycling pickup will be delayed <u>one day</u> the week of July 3 for Tuesday, Wednesday & Thursday collections only. Monday collection will be on schedule the week of July 3.

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More City News



Sponsor A Garden Project Volunteers Needed!

Project Bloom is in its sixth year! Residents and merchants continue to sponsor flowerbeds in The Village and Neff Park. Thanks to all of our loyal sponsors who have donated money year after year to beautify our downtown area and City park! Although most of our sponsors have agreed to once again sponsor a bed, Project Bloom does have opportunities for new sponsors. Donations are tax deductible and go through the City of Grosse Pointe Foundation.

VOLUNTEERS - Project Bloom is very much in need of volunteers to help plant. Volunteers are requested to help on two days, Planting Day at the park and Planting Day in The Village, both dates would be in mid to late May. If you have a few hours to help out on either day, or BOTH!, let us know. Do you need credit for volunteer service hours, or you want to get your friends together to do something fun, join us, we would love to have your help!

If you are interested in either sponsoring a garden or helping to plant/weed, please contact Susan Budrys at suebudrys@gmail.com or 882-9816, or Susan Hartz at suesanhartz@att.net or 886-8982.

Looking forward to another beautiful season!

Susan Budrys and Susan Hartz, Project Bloom Co-Chairs

Neighborhood Inspection Program Continues

In an effort to maintain and improve property values and to ensure the attractive appearance of the City's housing stock, the City is continuing its enhanced housing inspection program. The Neighborhood Inspection program will establish a regular exterior review of all residential properties. One of the greatest assets of the City is its attractive neighborhoods and fine housing stock. The enhanced inspection program institutes a regular and systematic exterior code inspection schedule of rental and owner occupied homes for property maintenance code violations. This inspection supports the upkeep of buildings, thereby promoting attractive neighborhoods and neighborhood property values.

This program will continue on a rotating basis so that every three to four years a residential property will receive an exterior inspection. In 2017, homes on Roosevelt Place, Rivard, University Place and Lakeland will be inspected by City of Grosse Pointe staff. Notifications will be sent in advance to the residences in the inspection area. If you have any questions regarding the Neighborhood Inspection program, please contact the City's Code Enforcement Officer at 885-5800.

National Arbor Day Foundation - Tree City USA Award



The City of Grosse Pointe has been recognized by The National Arbor Day Foundation once again for its high standard of excellence in its urban forestry programs.

The National Arbor Day foundation has awarded the City with its Tree City USA award for the 30th year.

The Tree City USA organization recognizes communities that effectively manage their public tree resources by meeting four standards. The standards require a tree department, tree ordinance, forestry budget, and an Arbor Day observation with proclamation. The program requires an annual forestry budget of at least \$2 per capita. The City currently budgets over \$15.25 per capita.

