CITY OF NOVI
Administrative ePacket
January 12, 2023

Public Safety (Police/Fire)

2022 Comment Card Summary - Meier

Public Safety Monthly Report - Zinser

Infrastructure (Roads/Water/Sewer)

Economic Development (City Revenue/Job Growth)

Echo Valley Residential Property Maintenance Program Update - Riley & Gibbons

Planning Commission Year in Review - McBeth

Citizen-Focused Government (Shared Services/Customer Services)

Natural Areas & Features and Community Character (Community that Preserves)

Fiscally Responsible Government (Maintain)

Quarterly Investment Report - Johnson & Glenn

Retiree Health Care Plan Investment Overview - Johnson

Parks, Recreation & Cultural Services (Enhance Services)

OAS Advisory Board Year in Review - Lachance

Cultural Arts Advisory Board End of Year Report - Golles

Lakeshore Tunnel Cost Update - Muck & Herczeg

Capital Improvement Program

City Council Only or Confidential

MEMORANDUM

CITY OF NOVI
cityofnovi.org

TO: ERICK W. ZINSER
DIRECTOR OF PUBLIC SAFETY/ CHIEF OF POLICE

FROM: JASON MEIER
COMMANDER – SUPPORT SERVICES

SUBJECT: 2022 COMMENT CARD REVIEW

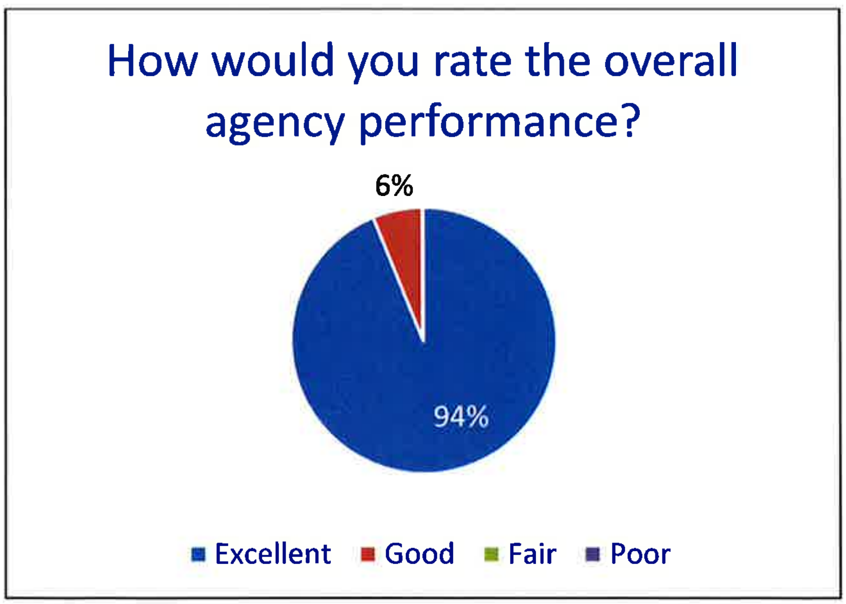
DATE: JANUARY 4, 2023

Directive 790 requires an annual review of the comment cards distributed over the calendar year detailing the results. Police surveys are sent out to the complainant on every 100th call for service. Fire surveys are sent out every 50th call for service. The surveys are returned to Community Relations and then forwarded to the Public Safety Administration for review. The following are the results of the surveys received back in 2022. In addition, a comparison follows with 2022 and partial 2021 (we changed the format in July 2021).

Police Surveys

Out of the surveys sent, we received 130 responses back (Note: Some responders did not answer all questions). The results of the survey questions were:

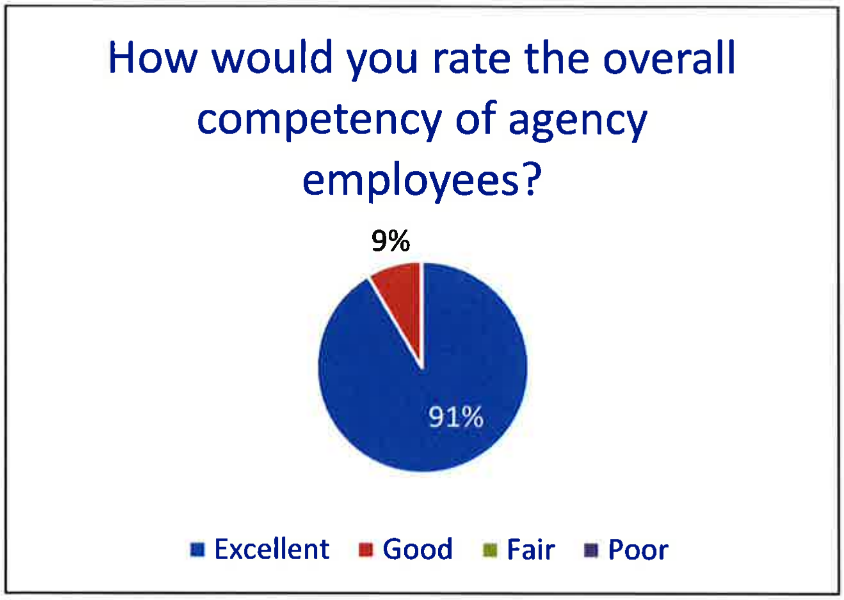
1. How would you rate the overall agency performance?
   Excellent – 121 (94%) Good – 8 (6%) Fair – 0 Poor – 0



REVIEWED
1-5-2023
Erick W. Zinser
Director of Public Safety
Chief of Police

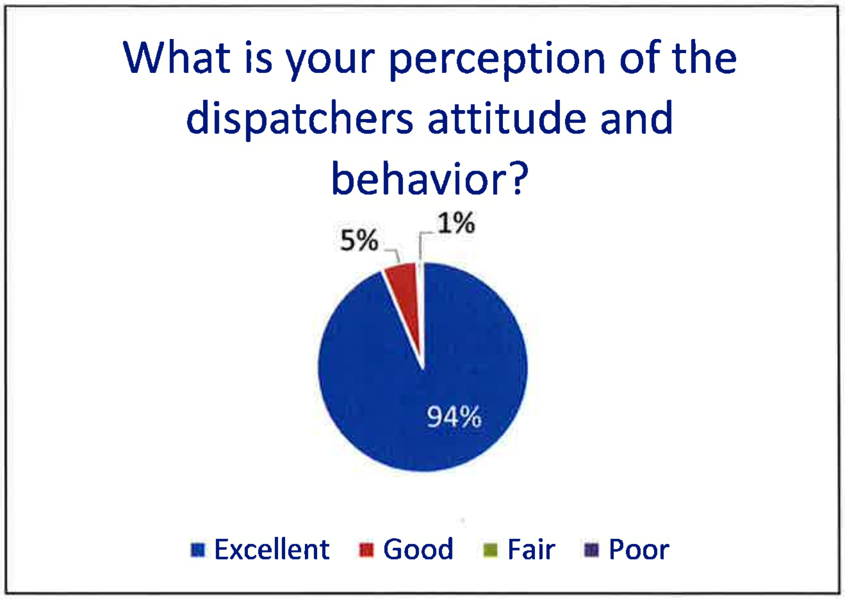
REVIEWED
SRB 1-5-23
Scott R. Baetens
Assistant Chief of Police

2. How would you rate the overall competency of agency employees?
Excellent – 118 (91%) Good – 11 (9%) Fair – 0 Poor – 0

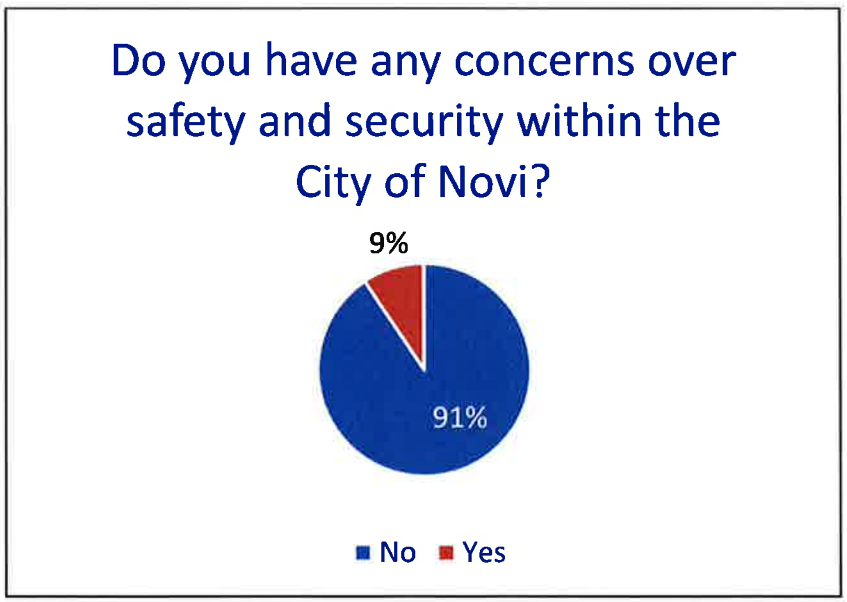


3. What is you perception of the officers / dispatchers' attitudes and behaviors?
Officers:
Excellent – 123 (98%) Good – 2 (2%) Fair – 0 Poor – 0

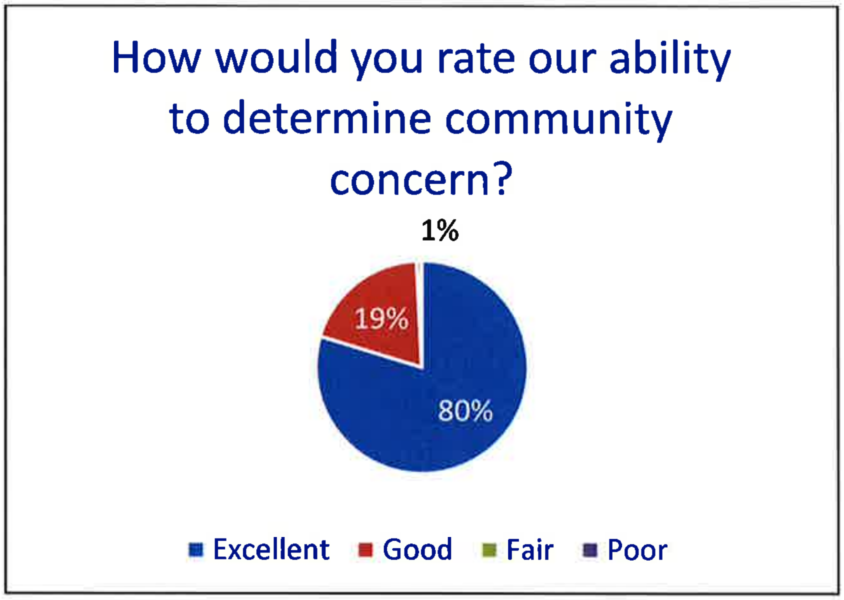
Dispatchers:
Excellent – 121 (94%) Good – 7 (5%) Fair – 1 (1%) Poor – 0



4. Do you have any concerns over safety and security within the City of Novi?
Yes – 12 (9%) No – 116 (91%)



5. How would you rate our ability to determine community concerns?
Excellent – 102 (80%) Good – 19 (27%) Fair – 1 (1%) Poor – 0



Police Comments

Some of the comments received include:

"Very Pleased with our police services and the wonderful officers in our community. Concern about traffic in subdivision"– Michael Riley

"A big thank you to Officer Bergtold. We had a great experience with his service." – Oliver Reik

"We were locked out of our house on a really cold day and an officer helped us out. Thank you so much!"– Sheeba Rufus

"Bottom Line, Officer McGee is a well-trained officer, who knows how to handle difficult situations. I'm grateful to have interfaced with him."– Steve Lionas

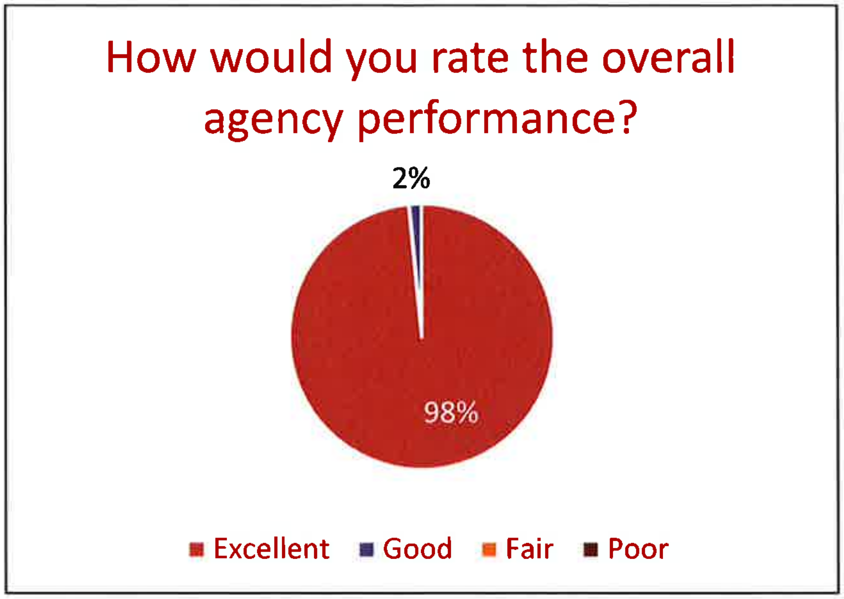
"Ive lived in Novi since 1974. The Police Department has always been top notch. Thank you for your dedication and fine work. I always feel safe and appreciate your hard jobs!." – Cathy Lafer

"I had cars passing me and other cars on the turning lane on Haggerty Rd. (between I-96 and Pontiac Trail)" – Todd Grossberg

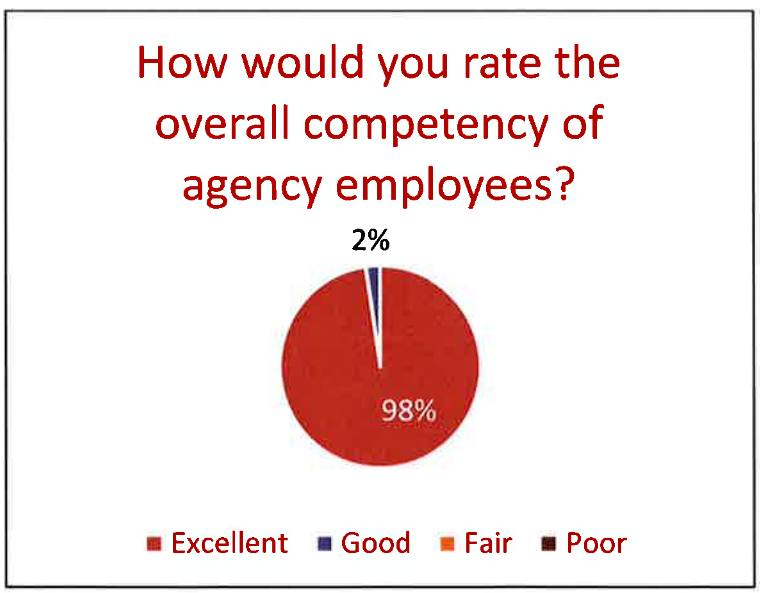
Fire Surveys

Out of the surveys sent, we received 131 responses back. The results of the survey questions were:

1. How would you rate the overall agency performance?
   Excellent – 126 (98%) Good – 2 (2%) Fair – 0 Poor – 0

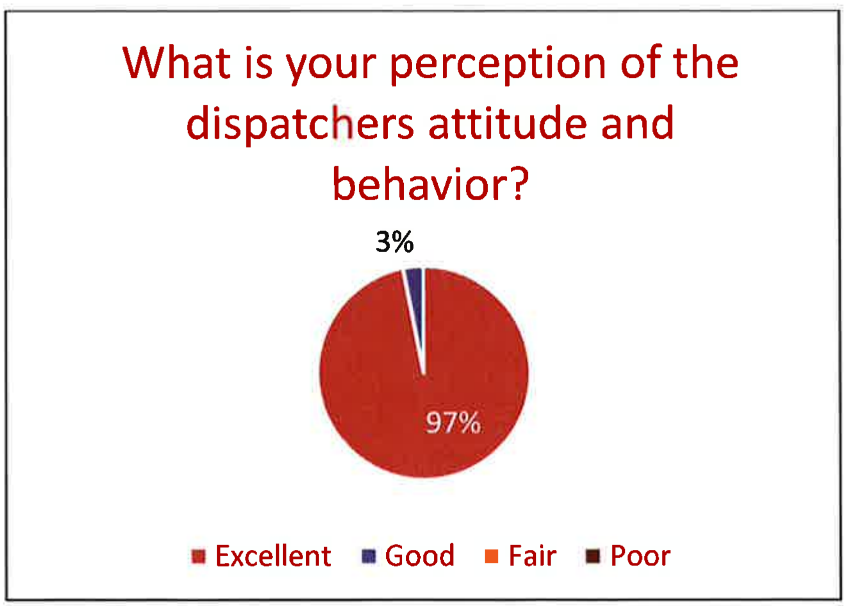


2. How would you rate the overall competency of agency employees?
   Excellent – 126 (98%) Good – 3 (2%) Fair – 0 Poor – 0

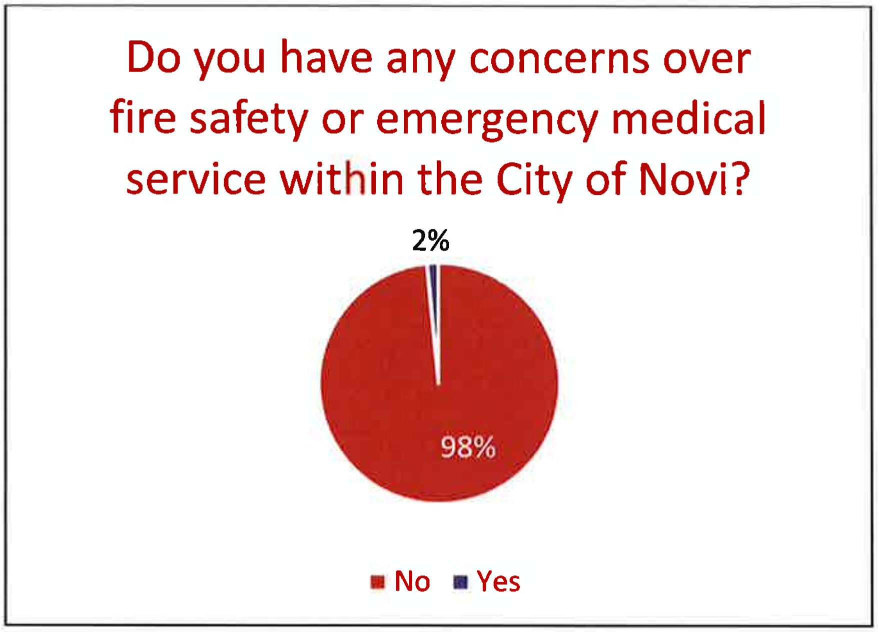


3. What is you perception of the firefighters / dispatchers' attitudes and behaviors?
Firefighters:
Excellent – 11 (97%) Good – 3 (3%) Fair – 0 Poor – 0

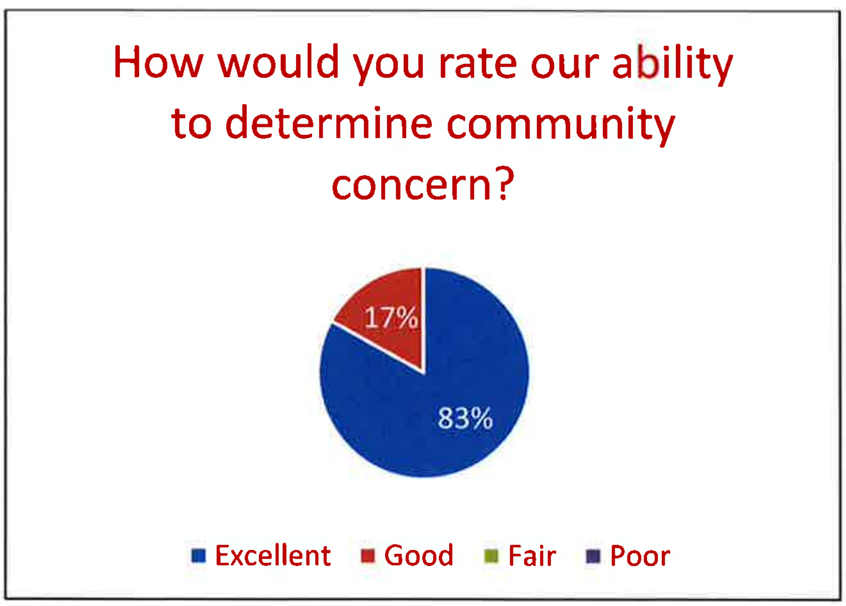
Dispatchers:
Excellent – 124 (97%) Good – 4 (3%) Fair – 0 Poor – 0



4. Do you have any concerns over fire safety or emergency medical service within the City of Novi?
Yes – 2 (2%) No – 123 (98%)



5. How would you rate our ability to determine community concerns?
Excellent – 103 (83%) Good – 21 (17%) Fair – 0 Poor – 0



Fire Comments

Some of the comments received include:

"They have been here more than I would like, my husband is very ill. The firefighters have treated him very well. Impressive!! Thank you!" – Kathy Fenchel

"I was really impressed with their promptness. Probably less than five minutes? Appropriate information was given me before they took my wife to the hospital." – Phillip Rathbun

"Everyone was professional, and the firefighters were here quickly thanks to dispatch. The firefighters were compassionate and made my husband feel at ease. Great job by everyone!" – Sue Lorence

"Called about a leaky propane tank. Dispatch was fantastic, helpful and they listened to me fully. Fire Dept sent someone out to check. Can't remember his name. He was fantastic as well. Service was fast. Everyone was exceptional." – Matt Conway

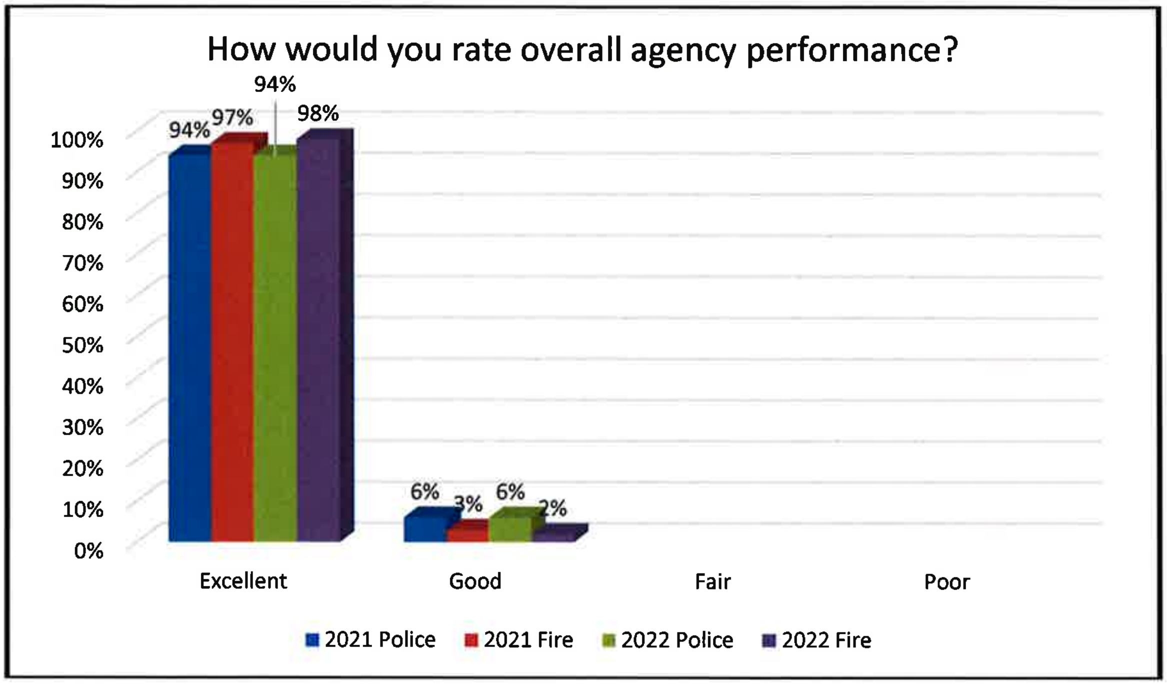
"The firefighters were so kind and considerate. The firefighters worked together to resolve our water tank problem. They assured us that calling them was the best decision." – Carolyn Brown

"Very professional, competent, and efficient!" – Rosemary Thomas

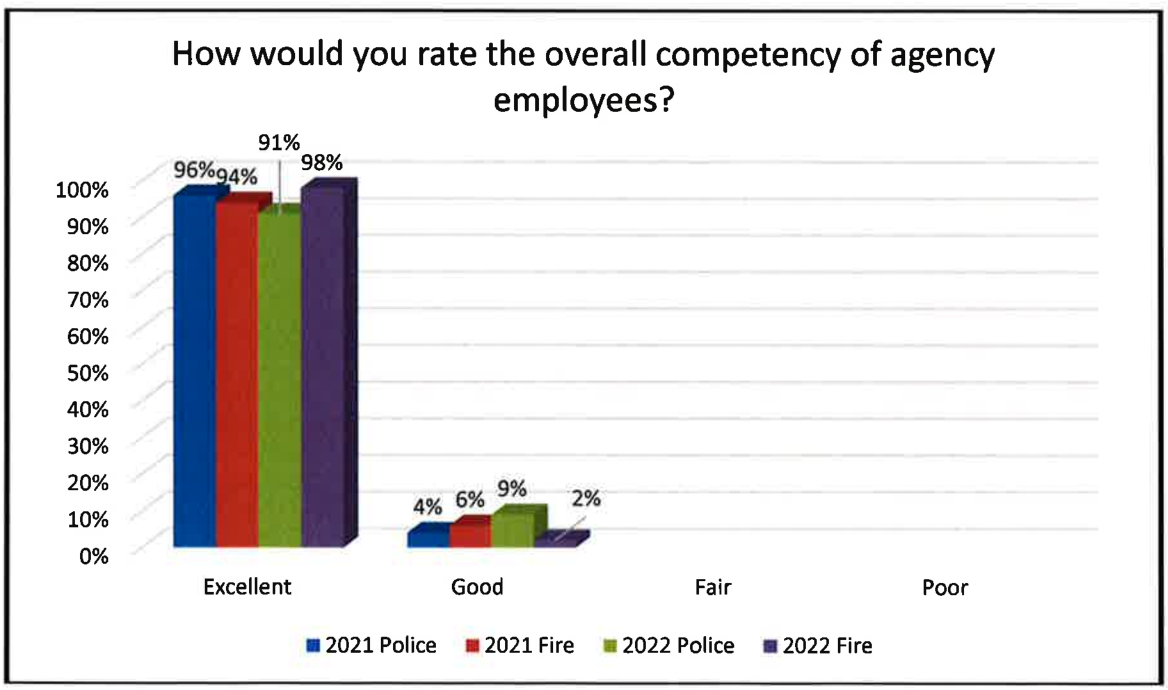
Analysis

In comparing the 2022 and partial 2021 results, we can observe the following trends:

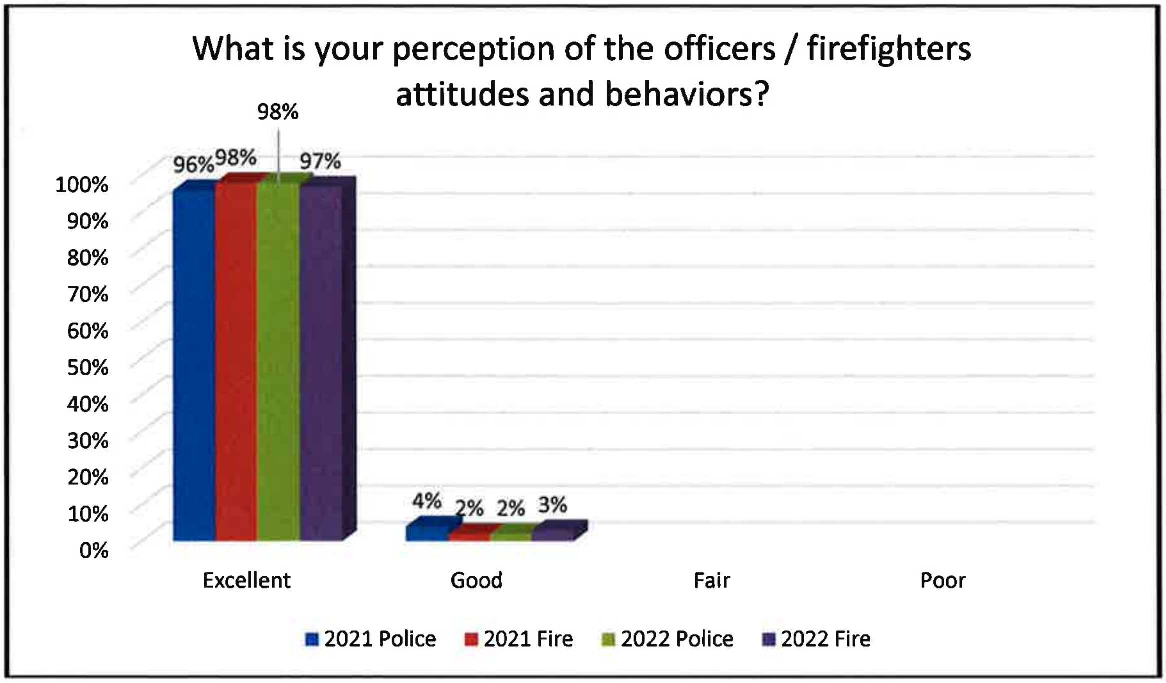
1. How would you rate the overall agency performance?



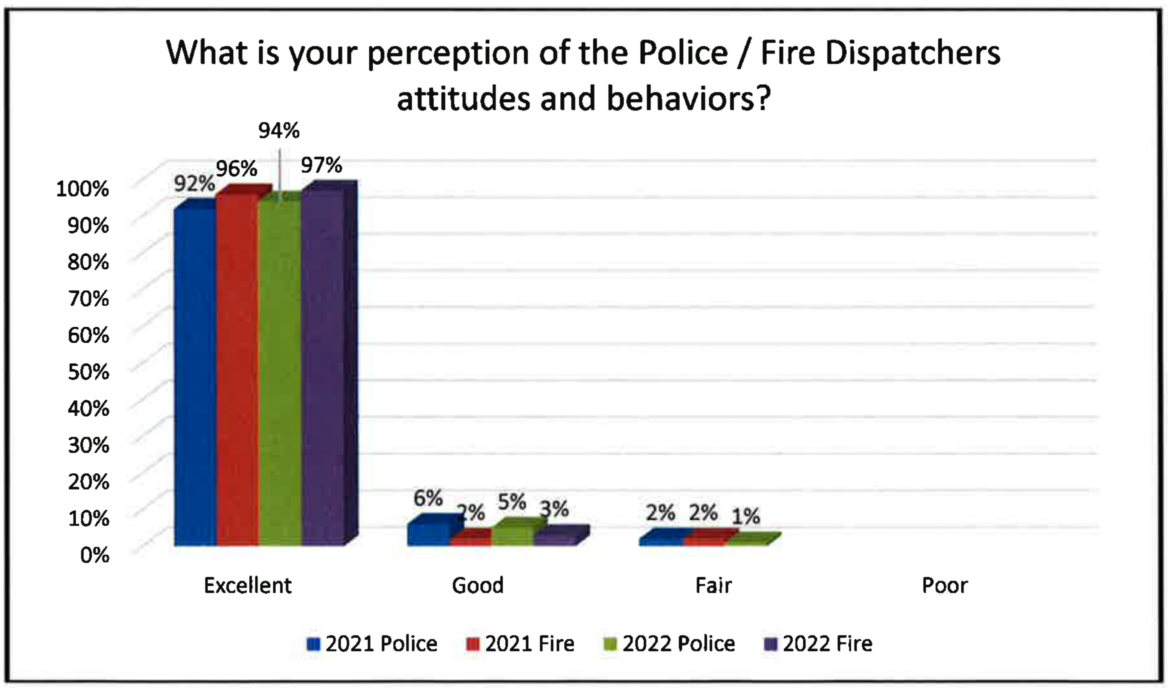
2. How would you rate the overall competency of agency employees?



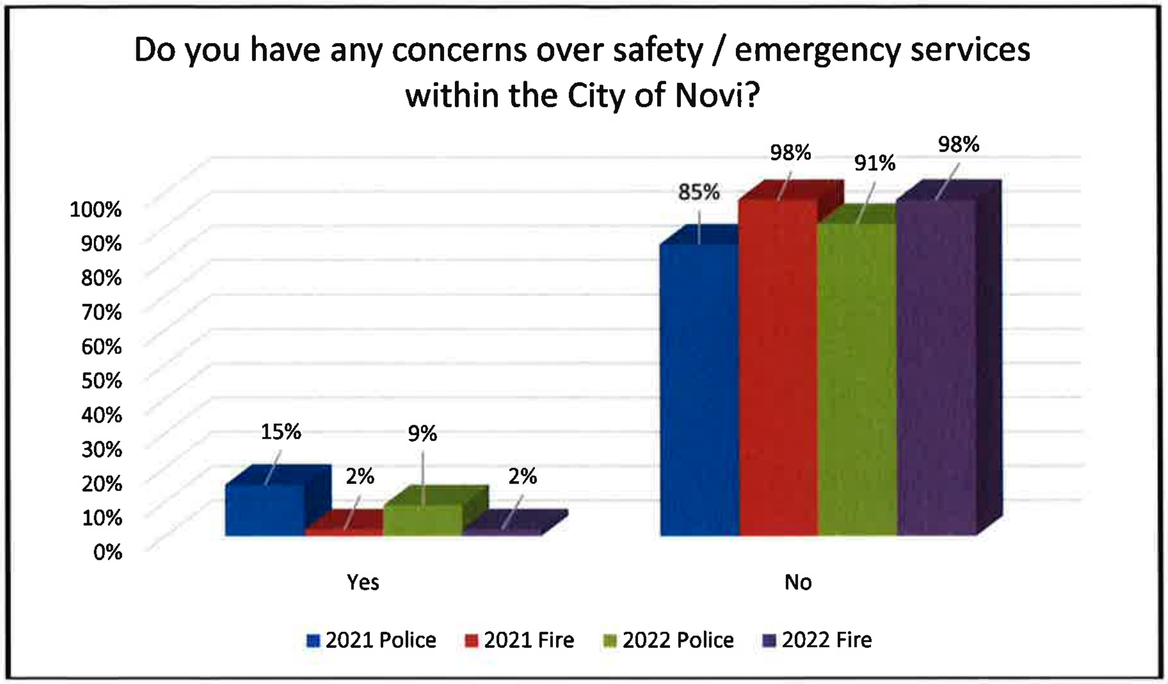
3. What is you perception of the officers / firefighters' attitudes and behaviors?



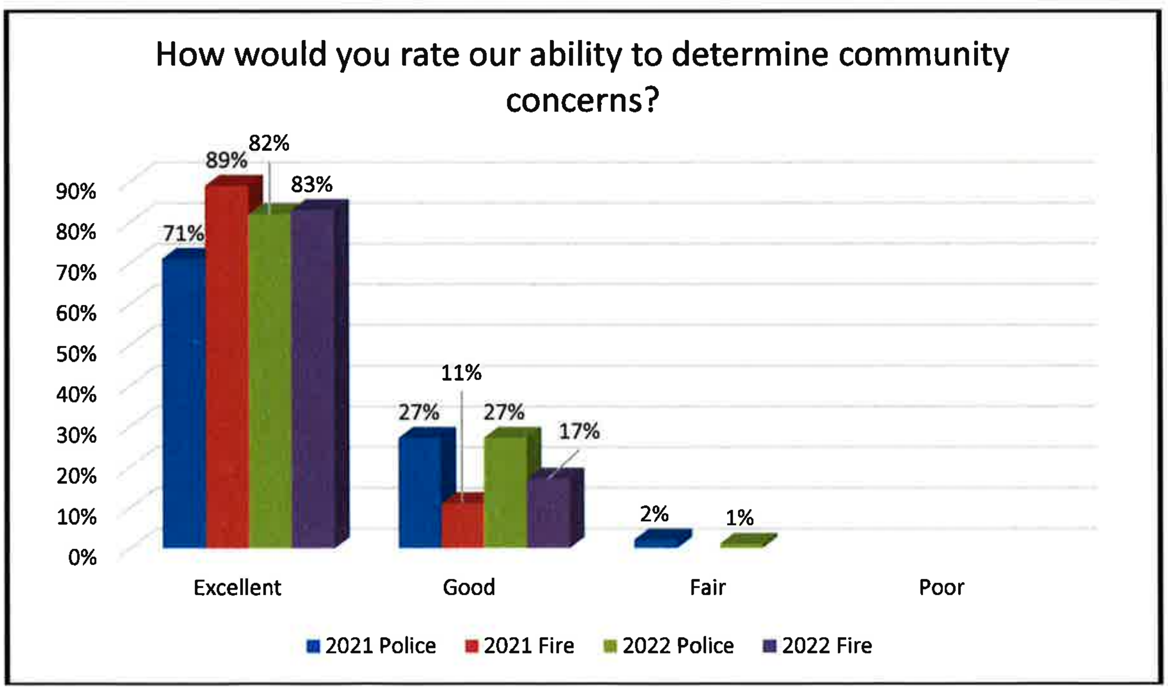
4. What is you perception of the Police / Fire Dispatchers' attitudes and behaviors?



5. Do you have any concerns over safety and emergency services within the City of Novi?



6. How would you rate our ability to determine community concerns?



A review of the data shows that both police and fire contacts with the public have been overwhelmingly positive, achieving nearly 100% satisfaction with our work, our attitudes and our ability to protect the public. In addition, the comment cards have been invaluable in addressing any additional concerns the complainant may have had as well as an excellent vehicle to obtain positive feedback about our officers and firefighters. I see nothing that gives me concern or reason to feel the program has not been beneficial. I also see no deficiencies in our overall officer performance that needs to be addressed on a department wide scale.

Recommendations

I recommend that we continue the comment card program as a means to gauge community satisfaction with our employees and department efforts. I further recommend that we continue to closely monitor the comments and concerns that these cards unveil and address them accordingly to include calling back the survey taker to address their concerns personally in accordance with our Department values.

Novi Public Safety

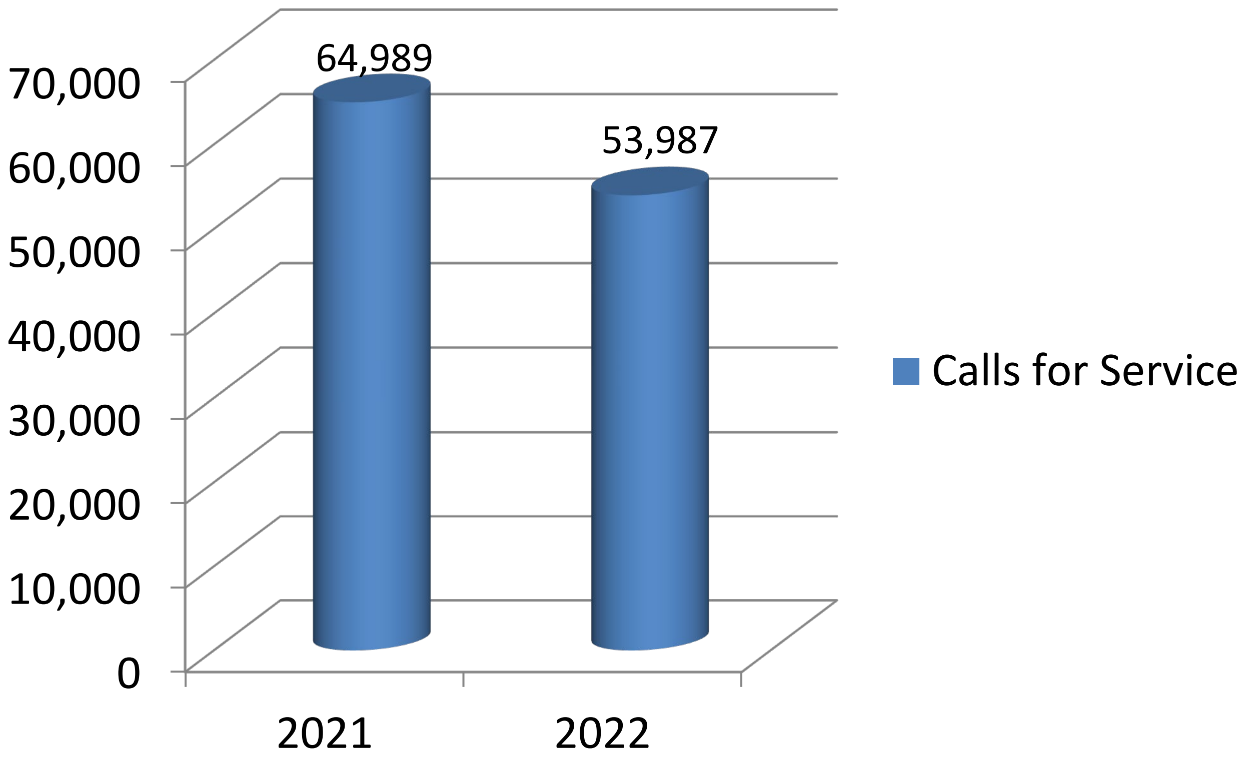
Police and Fire Departments 2022 v. 2021 Year-to-Date Statistics
January - December

Year End Report 2022

Part A Crime

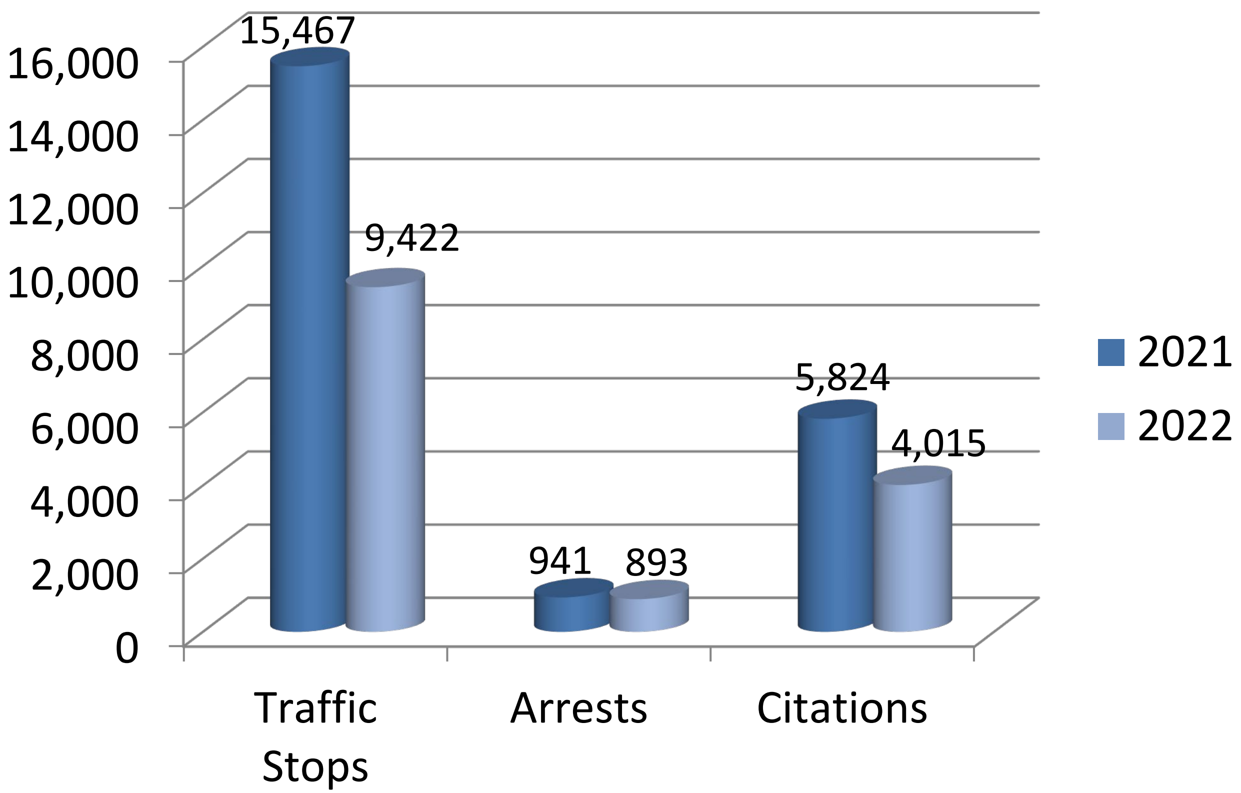
Description	2022	2021	% Change	Arrests/ EXC	% Cleared	22 YTD	21 YTD	% Change	Arrests/ EXC 22 YTD	% Cleared 22 YTD	Arrests/ EXC 22 YTD	Arrests/ EXC 21 YTD	% Change
Murder	0	0	No Change	0	No Change	0	0	No Change	0	No Change	0	0	No Change
Negligent Homicide	1	0	N/C	1	100.00%	3	0	N/C	3	100.00%	3	0	N/C
Kidnapping/Abduction (Parental)	0	1	-100.00%	0	No Change	1	1	0.00%	0	0.00%	0	1	-100.00%
Crim. Sexual Conduct	3	3	0.00%	0	0.00%	16	13	23.08%	9	56.25%	9	11	-18.18%
Robbery	1	0	N/C	0	0.00%	6	4	50.00%	5	83.33%	5	2	150.00%
Assault (Aggravated)	1	3	-66.67%	1	100.00%	27	26	3.85%	23	85.19%	23	26	-11.54%
Assault (Non-Aggravated)	21	27	-22.22%	15	71.43%	219	240	-8.75%	200	91.32%	200	215	-6.98%
Threats/Stalking	1	1	0.00%	1	100.00%	19	17	11.76%	15	78.95%	15	9	66.67%
Arson	0	0	No Change	0	No Change	0	1	-100.00%	0	No Change	0	0	No Change
Extortion	0	0	No Change	0	No Change	0	0	No Change	0	No Change	0	0	No Change
Burglary	3	4	-25.00%	1	33.33%	17	22	-22.73%	6	35.29%	6	6	0.00%
Larceny	23	23	0.00%	4	17.39%	186	169	10.06%	29	15.59%	29	28	3.57%
Motor Vehicle Theft	6	6	0.00%	0	0.00%	40	43	-6.98%	4	10.00%	4	11	-63.64%
Forgery/Counterfeiting	0	1	-100.00%	0	No Change	6	7	-14.29%	6	100.00%	6	3	100.00%
Fraud	17	10	70.00%	2	11.76%	99	107	-7.48%	13	13.13%	13	9	44.44%
Retail Fraud	25	12	108.33%	18	72.00%	183	149	22.82%	116	63.39%	116	100	16.00%
Embezzlement	2	0	N/C	2	100.00%	16	13	23.08%	16	100.00%	16	8	100.00%
R&C Stolen Property	0	0	No Change	0	No Change	4	0	N/C	4	100.00%	4	0	N/C
Vandalism	5	9	-44.44%	1	20.00%	70	58	20.69%	19	27.14%	19	17	11.76%
Narcotics	0	2	-100.00%	0	No Change	9	11	-18.18%	7	77.78%	7	9	-22.22%
Obscenity	0	0	No Change	0	No Change	1	0	N/C	1	100.00%	1	0	N/C
Prostitution & Vice	0	0	No Change	0	No Change	1	0	N/C	1	100.00%	1	0	N/C
Weapons	0	0	No Change	0	No Change	13	8	62.50%	12	92.31%	2	6	-66.67%
Animal Cruelty	0	1	-100.00%	0	No Change	0	5	-100.00%	0	No Change	0	4	-100.00%
Total Part A Incidents	109	103	5.83%	46	42.20%	936	894	4.70%	489	52.24%	479	465	3.01%

Police Total Calls for Service*

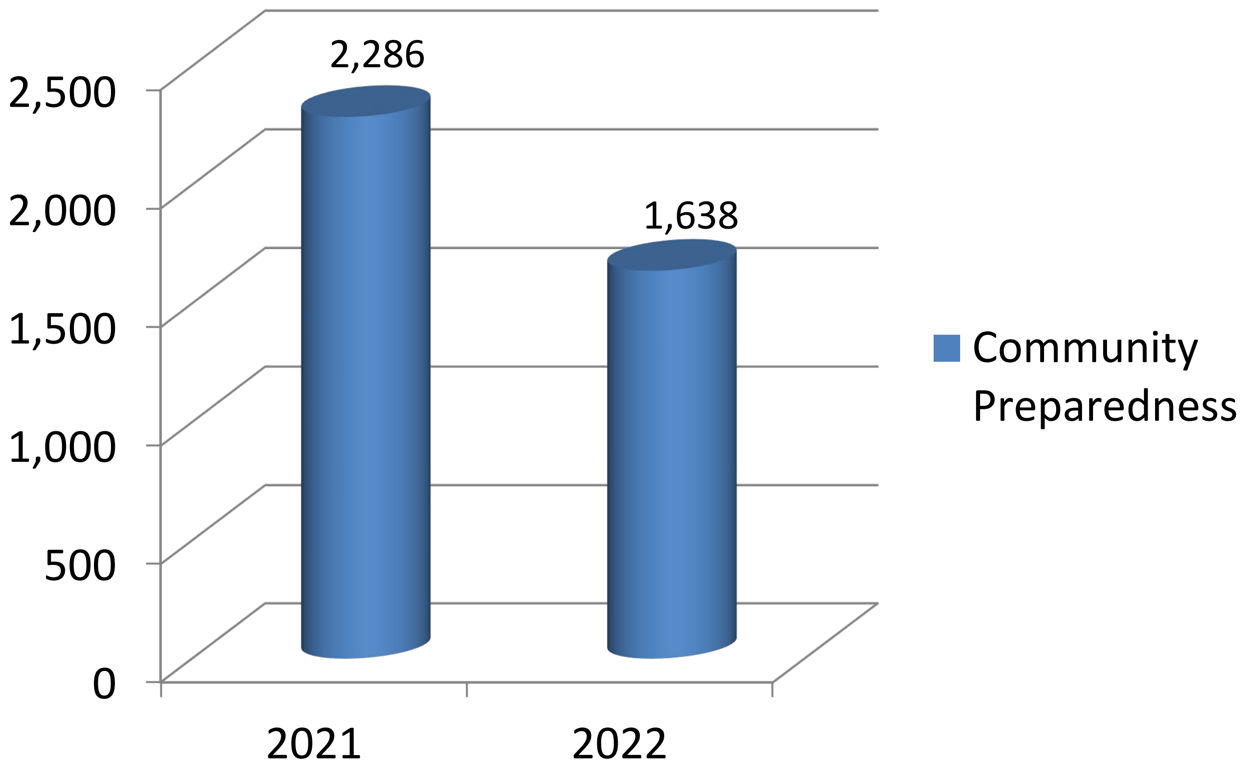


*includes all traffic stops, self initiated activity, routine and priority calls for service, etc.

Officer Productivity



Community Preparedness Numbers* – Self Initiated



*Extra patrols at critical infrastructure (ie. ITC Transmission, US Energy Distribution, Ascension Providence Park Hospital, Water Treatment Facility, etc.) within the city.

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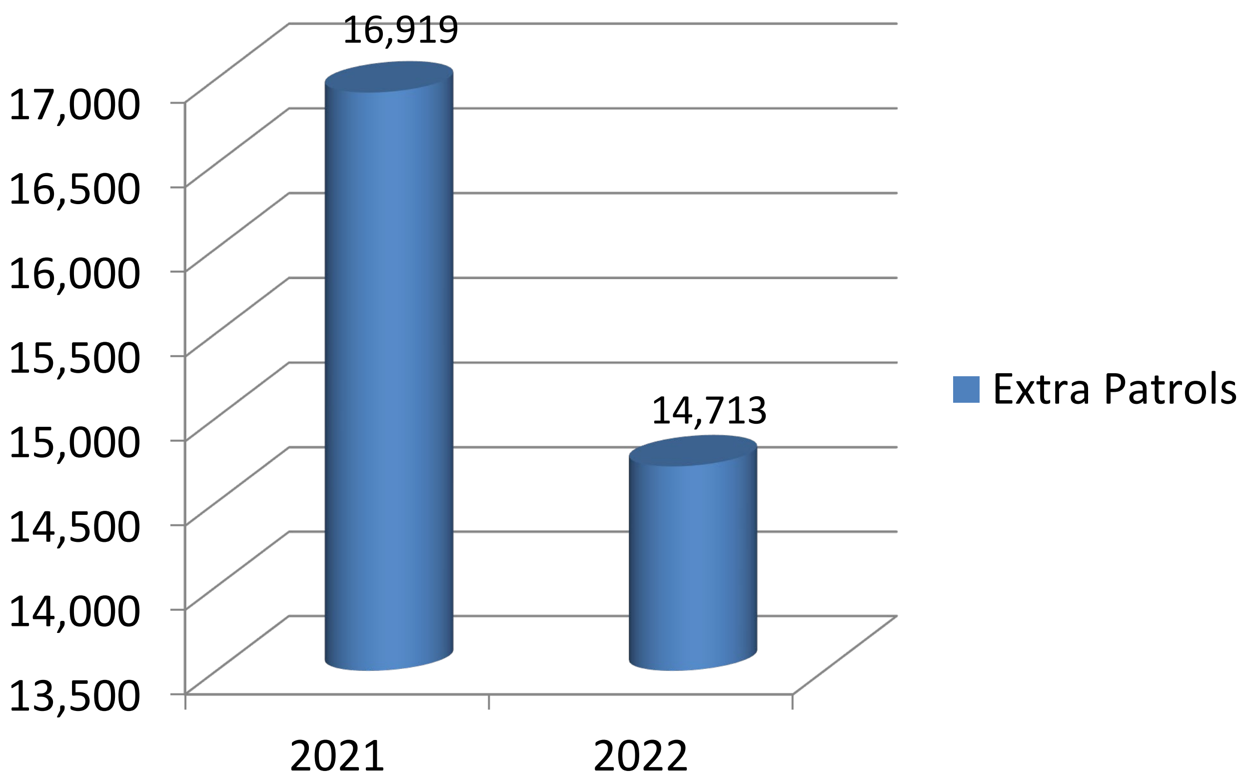
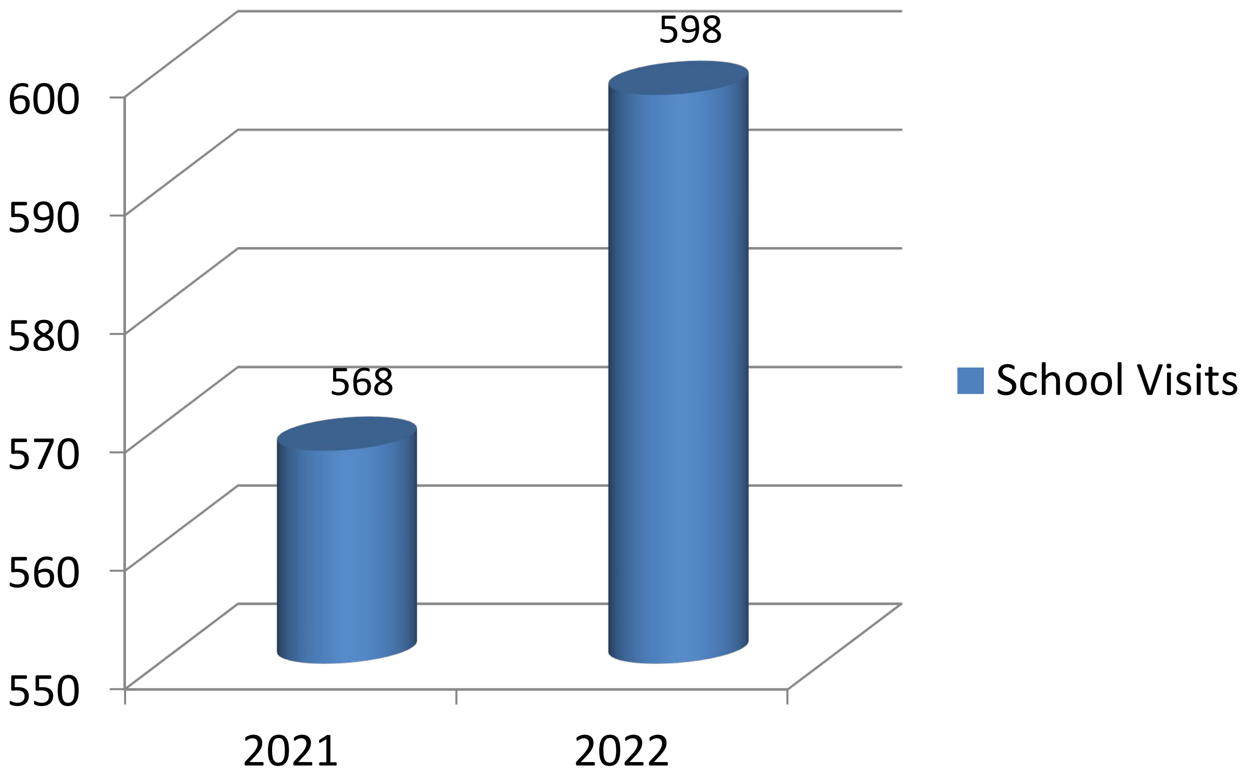
Extra Patrol Numbers* – Self Initiated



*Officers providing additional patrols at various locations above and beyond routine patrol.

School Visit Numbers* – Self Initiated



*Additional patrols at area schools where officers typically walk inside.

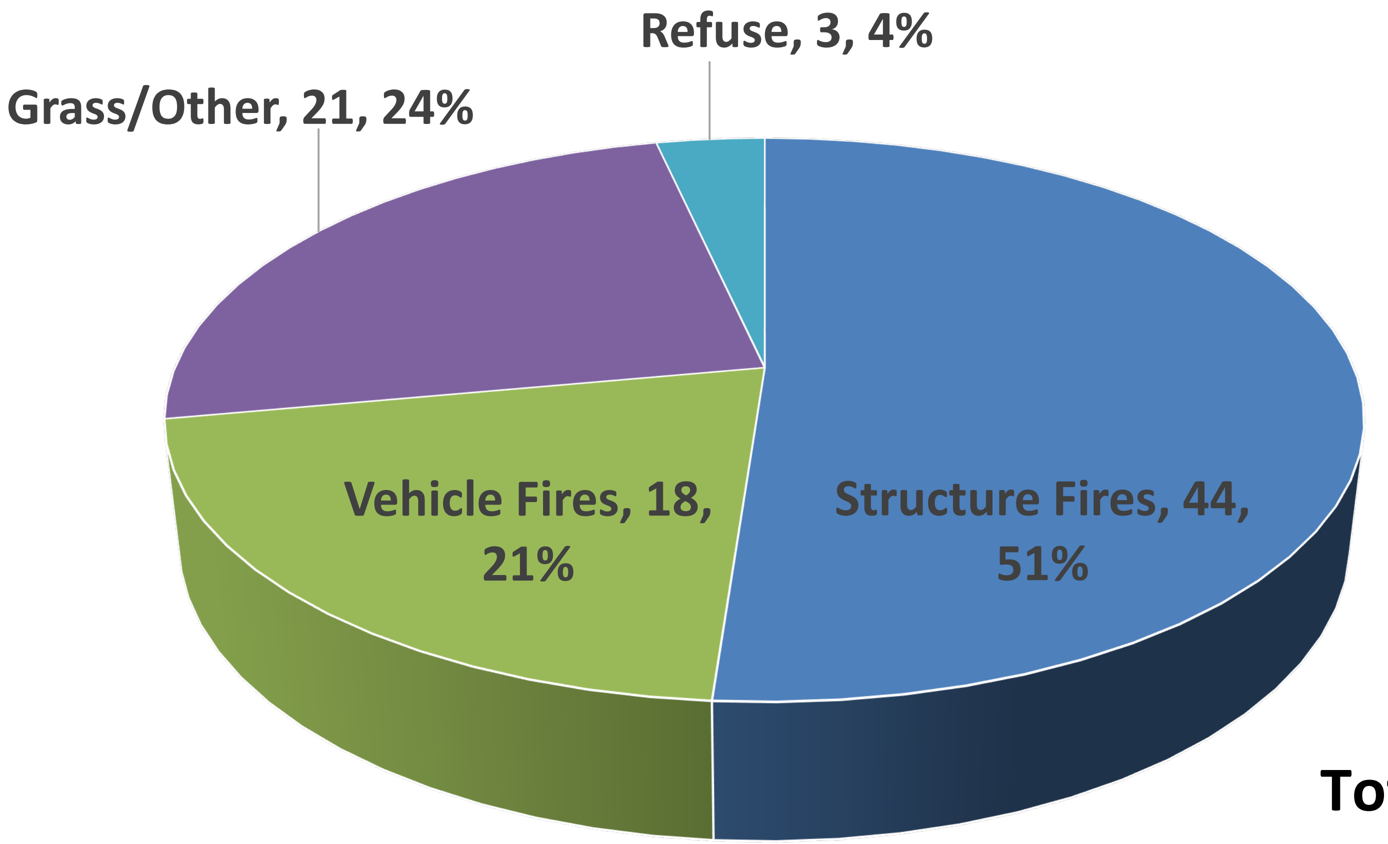
Fire Priority Calls for Service
January - December 2022 v. 2021

INCIDENT ACTIVITY REPORT				
Summary Comparison Year End Priority Calls for Service				
Incident Type	2022	2021	Difference	% Change
Fires	85	113	-28	-25%
EMS	5179	4851	328	7%
Hazardous Condition	147	155	-8	-5%
Service Call (Unauthorized Burn)	144	92	52	57%
Good Intent	138	135	3	2%
False Calls	301	277	24	9%
Other	17	13	4	31%
TOTAL:	6011	5636	375	7%

Fire All Calls for Service
January - December 2022 v. 2021

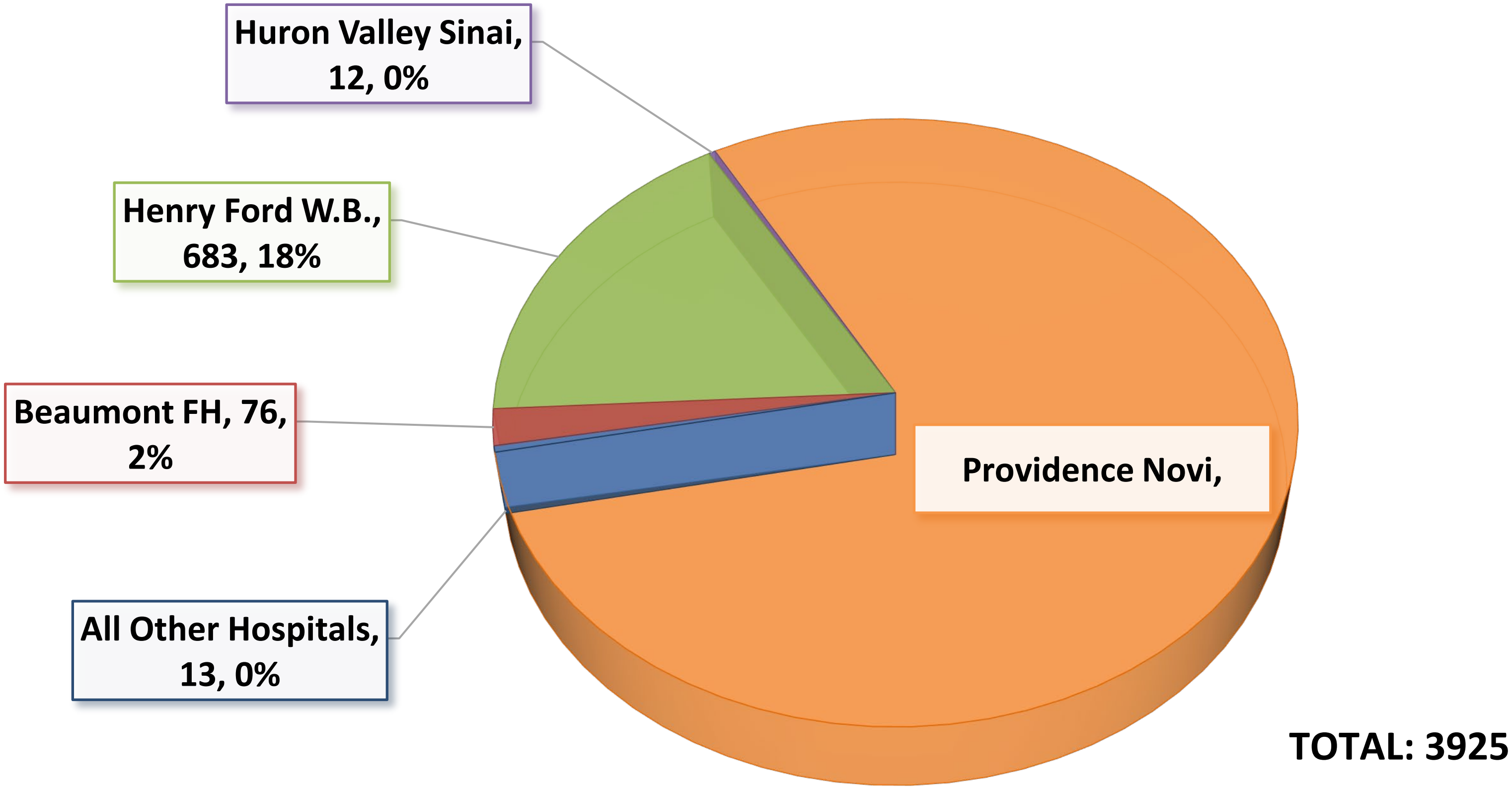
INCIDENT ACTIVITY REPORT				
Summary Comparison Year End All Calls for Service				
Incident Type	2022	2021	Difference	% Change
Fires	92	121	-29	-24%
EMS	5409	5132	277	5%
Hazardous Condition	214	244	-30	-12%
Service Call (Unauthorized Burn)	816	652	164	25%
Good Intent	280	266	14	5%
False Calls	553	551	2	0%
Power Outage Investigation	26	49	-23	-47%
Other (Inspections, Pub-Ed, Pub-Relations, Car Seats, etc.)	907	1044	-137	-13%
TOTAL:	8297	8059	238	3%

2022 Fires Year End



Total: 86

HOSPITAL TRANSPORTS 2022 YEAR END



FIRE OPERATIONS AVERAGE RESPONSE TIMES
PRIORITY ONLY

TEAM / STATION	December 2022	Total Calls	December 2021	Total Calls	Year End 2022	Total Calls
TEAM 'A':						
STATION 1	5:09	97	5:32	94	5:15	1164
STATION 2	5:41	103	6:31	74	5:43	1004
STATION 3	5:14	25	5:40	28	5:35	410
STATION 4	5:47	37	5:02	37	6:02	332
TEAM 'A' AVERAGE:	5:27	262	5:41	233	5:38	2910
TEAM 'B':						
STATION 1	6:03	106	5:52	94	5:49	1125
STATION 2	6:21	97	6:21	72	6:12	1048
STATION 3	6:24	53	6:49	46	6:22	497
STATION 4	6:19	56	5:45	41	6:31	431
TEAM 'B' AVERAGE:	6:16	312	6:11	253	6:13	3101
TEAM. AVERAGE	5:52	574	5:56	486	5:55	6011

cityofnovi.org

MEMORANDUM

cityofnovi.org

TO: CHARLES BOULARD, COMMUNITY DEVELOPMENT DIRECTOR
FROM: BRIAN RILEY, CODE COMPLIANCE OFFICER
MARIO GIBBONS, CODE COMPLIANCE OFFICER
SUBJECT: RESIDENTIAL PROPERTY MAINTENANCE PROGRAM
ZONE: ZONE 1, ECHO VALLEY
DATE: JANUARY 12, 2023

RESIDENTIAL PROPERTY MAINTENANCE

INSPECTION ZONE 1: ECHO VALLEY

Beginning in September 2022, Code Compliance started the Residential Property Maintenance Program, which residents positively received. The program was initially introduced to the HOA leadership, followed by a letter and brochure outlining the program and what was to be inspected. Homeowners provided positive feedback for this collaborative community approach and began correcting deficiencies before inspections based upon the checklist provided. As a result, compliance was achieved after one notice and within the time allotted for the violations that were issued.

Metrics:

- 9/14/2022 HOA Contact/introductory letter and brochure to Residents.
- 10/07/2022-11/07/2022 Inspected 93 Properties.
- Resulted in correction or properties with concerns.
- 5 of the five concerns have been resolved.
- Program resulted in a 100% compliance rate without having to issue Citations.

ECHO VALLEY SUB-DIVISION

PROPERTY MAINTENANCE PROGRAM

INSPECTION ZONE 1: ECHO VALLEY

- Beginning in September 2022, Code Compliance began the Residential Property Maintenance Program, which was positively received by residents. The program was initially introduced to the HOA leadership, followed by a letter and brochure outlining the program and what was to be inspected. Homeowners provided positive feedback for this collaborative community approach and began correcting deficiencies prior to inspections. Of the violations that were issued, compliance was achieved after one notice and within the time allotted.

PROPERTY MAINTENANCE GUIDELINES

<u>PROPERTY MAINTENANCE CHECKLIST (Sec. 21-57, 58 EXTERIOR</u>

Generally: The property premises, the exterior of every structure, the interior of every structure, and the systems and equipment therein shall be maintained in good repair, be structurally sound, and in sanitary condition so as not to pose a threat to health, safety, or welfare. All appliances shall be capable of performing their intended function.

- **Address numbers for each unit visible from the road and at least 4" high. Shall have approved address numbers placed in a position to be legible and visible from the street fronting the property.**

- **Steps, decks, porches, and landings are weatherproof, in excellent/safe condition, and sealed. Handrails/guardrails, where required, are to be sturdy, weatherproof, and at least 30" high.**

- **No unlicensed or inoperable vehicles are parked outside of a garage (exception: covered cars).**

- **All structures, including the garage, she-shed, fence, and pool, shall be maintained and structurally sound.**

- **Roof, eaves, soffits, and fascia in good repair (painted, weatherproof, not rotted).**

- **Foundation is structurally sound and weatherproof, with no open cracks or breaks. Openings are sealed to prevent the entry of rodents or animals. The chimney is in good condition (no rust or lose bricks).**
- **Windows, Screen/storm doors in good condition, no broken/missing glass or torn/missing intact and operable. The doors are weatherproof, and all hardware is operable.**
- **Exterior siding, trim and paint in good condition (not missing, peeling, or chipped).**
- **Note – As a rule of thumb, the ideal exterior painting temperature outside ranges from 50 to 70 degrees. Residents are given time due to the cold temperature. June 1st is an expected date for painting if violations occur after October.**
- **Sidewalks and driveway not in disrepair.**
- **All grass and noxious weeds are maintained at less than 8" high. Trees and shrubbery are well maintained. No litter or debris on the property (except within a trash container).**

Metrics

9/14/2022 HOA Contact/introductory letter and brochure to Residents.

10/07/2022-11/07/2022 Inspected 93 Properties.

This resulted in remaining concerns.

5 of the **5** concerns have been resolved.

Program resulted in a **100%** compliance rate without having to issue any Citations.

CITY OF NOVI METRICS

0 City of Novi			
Neighborhood Property Maintenance Metrics			
Program Year	2022		
Neighborhood	Echo Valley		
Total Parcels	93		
Total Parcels with corrections needed	4	4.30%	
Total violations	5	1.25	Corrections Per Notice
Parcels abated prior to reinspection	4	100.00%	Compliance with First Notice
Parcels requiring 2nd notice	0	0.00%	
Parcels abated by Final inspection	4	100.00%	Compliance w/o Citations
Violations by type			
Grass/Weeds	0	0.00%	
Painting/siding	0	0.00%	
Windows/Doors	0	0.00%	
Roof	0	0.00%	
Gutters and trim	4	80.00%	
Accessory stucture/sheds/fences	0	0.00%	
Inoperable vehicles	0	0.00%	
Trash/Debris	1	20.00%	
Other	0	0.00%	
Total	5	100.00%	

VIOLATION PHOTOS: GUTTERS IN DISREPAIR

OVERALL GOAL!

- **By preserving the value, attractiveness, and desirability of our neighborhoods is critical for the future and financial sustainability of our City.**

PLANNING COMMISSION

2022 ANNUAL REPORT

Prepared for consideration January 11, 2023

The duties of the Novi Planning Commission are authorized by State Statute. The mayor nominates to the seven-member Planning Commission, with the approval of the City Council, for a term of three years. Members are volunteers from a cross-section of the community and serve without pay. Three members are appointed each June for terms beginning in July. The Planning Commission typically meets twice per month on Wednesdays at 7:00 p.m. (Specific dates and times are listed in the city calendar and are subject to change). All meetings are open to the public and televised on the local cable station, as well as shown live on the city's webpage.

The Michigan Enabling Act states that "A planning commission shall make an annual written report to the legislative body concerning its operations and the status of planning activities, including recommendations regarding actions by the legislative body related to planning and development."

Membership:

In 2022, the following Planning Commission members presided:

- Mark Pehrson, Chair
- John Avdoulos, Vice Chair
- Mike Lynch, Secretary
- Gary Becker
- David Dismondy
- Edward Roney
- Ramesh Verma

The Planning Commission held a total of 15 meetings in 2022. All 15 meetings were held in person in the Council Chambers at the Civic Center. Meetings are typically held on the second and fourth Wednesday of each month at 7:00 p.m.

Planning Commission Actions:

Some highlights from the Commission's actions in 2022 are as follows:

ORDINANCE AMENDMENTS

1. Text Amendment 18.299 Self-Storage Facilities
   Public hearing at request of the applicant, GHK Development, for Planning Commission's recommendation to City Council of Text Amendment 18.299 in order to amend Section 4.51 of the Zoning Ordinance, Self-Storage Facilities. This would allow for climate-controlled self-storage facilities.
   Recommended to City Council for adoption.

ZONING MAP AMENDMENTS

1. MI CAT Catherine Drive Access Parcel JZ21-22 with Rezoning 18.734
   Public hearing at the request of Michigan CAT for Planning Commission's recommendation to City Council for a Zoning Map amendment from Light Industrial (I-1) to General Industrial (I-2) with a Planned Rezoning Overlay. The subject site is approximately 5.29 acres of a 32.39-acre property and is located on the east side of Novi Road and north of Catherine Industrial Drive (Section 23). The applicant is proposing to use the site for outdoor storage for construction equipment related to Michigan CAT's shore and pump operations.
   Recommended to City Council for adoption.

2. Elm Creek JZ22-28 with Rezoning 18.737
   Public hearing at the request of Toll Brothers, Inc. for initial submittal and eligibility discussion for a Zoning Map amendment from Office Service Technology (OST) and Low-Rise Multiple Family (RM-1) to Low-Rise Multiple Family (RM-1) with a Planned Rezoning Overlay. The subject site is approximately 23.7 acres of a larger 37-acre parcel and is located south of Twelve Mile Road, west of Meadowbrook Road (Section 14). The applicant is proposing to develop a 68-unit multiple-family residential development.
   No action taken.

3. Moe's on Ten JZ22-27 with Rezoning 18.738
   Public hearing at the request of David B. Landry for Planning Commission's recommendation to City Council for a Zoning Map amendment from Local Business (B-1) to General Business (B-3). The subject site is approximately 0.9 acres and is located on the south side of Ten Mile Road and west of Haggerty Road (Section 25). The applicant is not proposing any changes to the site and plans on continuing operating the site as a sit-down restaurant.
   Recommended to City Council for adoption.

OTHER

1. 2022-2028 Capital Improvement Program
   Public Hearing and adoption of the 2022-2028 Capital Improvement Program.

2. Intent to Start Master Plan
   Intention to start the 5-year review of the Master Plan for Land Use.
   No action taken.

SINGLE FAMILY WOODLAND USE PERMITS

1. 29930 Brush Park Court, PBR21-0676
   Public Hearing at the request of Meridian Homes Construction, LLC for consideration of a request for a Woodland Use Permit at 29930 Brush Park Court. This property is also known as Lot 10 West Park Place Condominiums, which is located north of West Road and West

of West Park Drive in Section 4 of the City. The applicant is requesting the removal of twenty-four regulated woodland trees in order to build a single-family structure on the lot.
Approval granted.

2. 29906 Brush Park Court, PBR22-0008
   Public Hearing at the request of Meridian Homes Construction, LLC, for consideration of a Woodland Use Permit at 29906 Brush Park Court. This property is also known as Lot 12 West Park Place Condominiums, which is located north of West Road and West of West Park Drive in Section 4 of the City. The applicant is requesting the removal of four regulated woodland trees in order to build a single-family structure on the lot.
   Approval granted.

3. 24190 Trafalgar Court, PBR22-0054
   Public Hearing at the request of Kensington Family Homes, LLC, for consideration of a Woodland Use Permit at 24190 Trafalgar Court. The site is located east of Beck Road and south of Ten Mile Road in Section 28 of the City. The applicant is requesting the removal of forty-two regulated woodland trees in order to build a single-family structure on the lot.
   Approval granted.

4. 24191 Trafalgar Court, PBR22-0055
   Public Hearing at the request of Kensington Family Homes, LLC, for consideration of a Woodland Use Permit at 24191 Trafalgar Court. The site is located east of Beck Road and south of Ten Mile Road in Section 28 of the City. The applicant is requesting the removal of seventy-nine regulated woodland trees in order to build a single-family structure on the lot.
   Approval granted.

5. 22609 Montebello Court, PBR20-0272
   Public Hearing at the request of Cristopher Naida for consideration of a Woodland Use Permit at 22609 Montebello Court. This property is also known as Lot 16 in Montebello Estates, which is located north of Nine Mile Road and west of Novi Road in Section 27 of the City. The applicant is requesting the removal of eight regulated woodland trees in order to receive approval of final grade for a single-family residential lot.
   Approval granted.

6. 47755 Casa Loma Court, PWD22-0009
   Public Hearing at the request of Ryan Schrieber for consideration of a Woodland Use Permit at 47755 Casa Loma Court. This property is also known as Lot 5 in Casa Loma, which is located north of Eight Mile Road and west of Beck Road in Section 32 of the City. The applicant is requesting the removal of nineteen regulated woodland trees in order to plant alternative landscape plantings.
   Approval granted.

7. 22585 Evergreen Court, PBR22-0262
   Public hearing at the request of Cranbrook Custom Homes for consideration of a Woodland Use Permit and Wetland Use Permit at 22585 Evergreen Court. The property is also known as Lot 3 in Evergreen Estates, which is located north of Nine Mile Road and

west of Garfield Road in Section 30 of the City. The applicant is requesting the removal of five regulated woodland trees and to fill 697 cubic yards of city-regulated wetland in order to construct a single-family residential structure.
Approval granted.

8. <u>43546 Cottisford Road, PBR22-0362</u>
   Public hearing at the request of Jeremy Hilliard for consideration of a Woodland Use Permit at 43546 Cottisford Road. The property is located north of Nine Mile Road and west of Novi Road in Section 27 of the City. The applicant is requesting the removal of thirty-eight regulated woodland trees in order to construct a single-family residential structure.
   Approval granted.

<u>SITE PLANS</u>

1. <u>Catholic Central STEM Addition JSP21-44</u>
   Public hearing at the request of Catholic Central High School for Planning Commission's approval of revised Special Land Use Permit, Preliminary Site Plan, Woodland Permit and Stormwater Management Plan. The subject property is zoned R-4 One Family Residential, R-1 One Family Residential, and I-1 Light Industrial and is located in Section 18, west of Wixom Road and south of Twelve Mile Road. The applicant is proposing to construct a 54,545 square foot addition to the main school building to house their Science Technology Engineering and Mathematics (STEM) classrooms and labs. Existing parking areas would be reconfigured.
   Approval granted.

Figure 1: Catholic Central STEM Addition Rendering, as provided by the applicant.

2. <u>Griffin Novi JSP20-27</u>
   Public hearing at the request of Singh Development, LLC for JSP 20-27 Griffin Novi for Planning Commission's recommendation to the City Council for approval of a Preliminary Site Plan with a PD-2 Option, Special Land Use permit, Wetland Permit, and Stormwater Management Plan approval. The subject property is located at the southeast corner of Twelve Mile Road and Twelve Oaks Mall access drive in Section 14. The applicant proposes to utilize the Planned Development 2 (PD-2) option to develop 174 multi-family residential units. A private street network is proposed to connect the development to Twelve Mile Road and the Twelve Oaks Mall access drive on the west side of the property.
   Approval granted.

Figure 2: Griffin Novi Plans, as provided by the applicant.

3. O'Reilly Auto Parts Drainage and Pavement Improvements JSP21-35
   Consideration of O'Reilly Auto Parts Drainage and Pavement Improvements at the request of Oston A. Service Company for approval of the Preliminary Site Plan and Stormwater Management Plan. The subject site contains 2.03 acres and is located at 43131 Grand River Avenue, east of Novi Road, and south of Grand River Avenue, in Section 23. The applicant is proposing exterior site improvements that include the resurfacing of a large majority of the parking lot, the addition of curbing, the addition of a drainage basin, and overall improvements to the site design.
   Approval granted.

4. City Center Office Plaza JSP21-06
   Consideration of the request of City Center Office Plaza, LLC for approval of the Preliminary Site Plan and Stormwater Management Plan. The subject property contains 1.25 acres and is in Section 15, on the west side of Flint Street, south of Grand River Avenue. The applicant is proposing a three-story office building with a bank on the first floor and general office on the upper floors (15,300 square feet total). The site plan includes a two-lane drive-through for the bank use on the south side of the building.
   Approval granted.

Figure 3: City Center Office Plaza Plans, as provided by the applicant.

5. Townes of Main Street JSP20-35
   Public hearing at the request of Singh Development for JSP 20-35 Townes of Main Street for recommendation to the City Council for approval or denial of Preliminary Site Plan, Phasing Plan, Wetland Permit, and Storm Water Management Plan. The subject property is zoned TC-1 (Town Center One) and is approximately 17.7 acres. It is located north and south of Main Street, east of Novi Road, in Section 23. The applicant is proposing a multifamily development with 192 townhouse-style apartments. The site improvements include a private street network, surface parking, and related open space amenities. The applicant is proposing construction in three phases.
   Approval granted, recommended to City Council.

Figure 4: Townes of Main Street Plans, as provided by the applicant.

6. Audi of Novi JSP21-34

Public Hearing at the request of Lithia Motors, Inc. for approval of the Preliminary Site Plan, Special Land Use Permit, and Stormwater Management Plan. The subject property is approximately 3. 91 acres and is located at the northwest corner of Ten Mile Road and Haggerty Road in the B-3, General Business Zoning District. The applicant is proposing to demolish a former Jaguar Car Dealership and redevelop the site in order to build an approximately 11,935 square foot two-story car dealership building to be used by Audi of Novi along with associated parking, vehicle inventory, and site improvements.

Approval granted.

Figure 5: Audi of Novi Rendering, as provided by the applicant.

7. Maple Medical Office JSP21-33

Consideration at the request of Aramco Americas, for Preliminary Site Plan approval. The subject property is located in Section 4, east of Hudson Drive and north of West Road, and is zoned I-1, Light Industrial. The applicant is proposing to install outdoor storage tanks with liquid hydrogen and natural gas in the existing parking area on the south side of the building.

Approval granted.

8. Shelter Bay Animal Hospital JSP21-27

Public Hearing at the request of Other Work, LLC, for approval of the Special Land Use and Preliminary Site Plan. The subject property is approximately 3.15 acres and is located south of Twelve Mile Road and west of Haggerty Road in the B-3, General Business, Zoning District. A use agreement was recently amended to allow this site to be considered for use as a veterinary clinic, veterinary hospital, and catering kitchen. The applicant is proposing to renovate the interior of a former Ruby Tuesday restaurant and some minor exterior site renovations including parking lot restriping, the addition of end islands, and the designation of an outdoor area for animals.

Approval granted.

9. Sakura Novi JSP22-09
   Public hearing at the request of Sakura Novi Land Development LLC for Planning Commission's recommendation to the City Council of Preliminary Site Plan, Phasing Plan, Wetland Permit, Woodland Permit, and Storm Water Management Plan. The subject property is zoned TC-1 with a Planned Rezoning Overlay (PRO), which conditions development to the terms of a PRO Plan and Agreement. The site is approximately 15 acres and is located north of Grand River Avenue, south of Eleven Mile Road, and east of Town Center Drive (Section 23). The applicant is proposing to develop a mixed-use development including commercial retail, office, and restaurant uses, and multifamily residential units. The development has access to Grand River Avenue and Eleven Mile Road.
   Approval granted, recommended to City Council.

10. Parc Vista JSP21-47
   Public hearing at the request of Toll Brothers, LLC for Preliminary Site Plan with Site Condominium and Stormwater Management Plan. The subject property is in Section 31 north of Eight Mile Road and west of Garfield Road in the RA, Residential Acreage District. The applicant has received City Council approval of a Residential Unit Development (RUD) Agreement on a 54.3-acre parcel to construct 44 single-family residential units.
   Approval granted.

Figure 6: Parc Vista Plans, as provided by the applicant.

11. Novi Concrete Plant JSP22-08
   Public hearing at the request of Crown Enterprises, LLC, for Preliminary Site Plan, Wetland Permit, Woodland Permit, and Storm Water Management Plan approval for a new 8,700 square foot concrete plant with two silos. The subject property is approximately 20 acres and is located at 46844 Twelve Mile Road in Section 9, north of Twelve Mile Road and west of West Park Drive. The southern portion of the site is zoned I-1, Light Industrial District and the northern portion is zoned I-2, General Industrial District.
   Approval granted.

12. Noble Village JSP22-26

Consideration of Noble Village at the request of Detroit Architectural Group for approval of the Preliminary Site Plan. The subject site contains 3.85 acres and is located at 42705 Grand River Avenue, east of Novi Road, and south of Grand River Avenue, which is in Section 23. The applicant is proposing a range of improvements to the current site of One World Market and the former Library Pub. These improvements include major changes to the façade of the building, landscape changes, and a total of 2,170 square feet in building additions to accommodate a few new uses of the site including an expanded Asian Grocery Store (One World Market), an Asian food hall anchored by Noble Fish Sushi and White Wolf Japanese Patisserie, an Izakaya bar, and community meeting spaces on the second and third floor of the building.

Approval granted.

Figure 7: Noble Village Rendering, as provided by the applicant.

13. Luxor Estates JSP20-09

Public Hearing at the request of RA Chiesa Architects, PC for approval of the Preliminary Site Plan, Site Condominium, Stormwater Management Plan, and Section 9 Façade Waiver. The subject property is currently vacant and approximately 1.82 acres. It is located east of Beck Road, south of Nine Mile Road in the RM-1, Low-Density Multiple-Family Zoning District, which permits two-family residential units subject to the standards and regulations of the RT Two-Family Residential District. The applicant is proposing six two-family attached housing units with a proposed density of 3.9 units per net acre.

Approval granted.

Summary:

As of December 21, 2022, 60 project permits were processed through the Planning Division in 2022. The Planning Division was able to approve more than 26 permits administratively. The Planning Commission reviewed and voted on at least 33 different projects this year.

Planning Commission Committees:

Planning Commission Committees that met in 2022:

Capital Improvement Program 1/19/22 The Capital Improvement Program Committee held one meeting during 2022. Some discussion items included:

- Expand Beck Road (M-14 to I-96)
- Taft Road improvements (Eight Mile to Ten Mile)
- Splash Pad at Bosco Fields
- Lakeshore Park Tunnel Replacement
- City emergency vehicle replacement

Implementation Committee 3/9/2022: The Implementation Committee held one meeting during 2022. The committee was chaired by Commissioner John Avdoulos. Discussion items included:

- City West Zoning District

Master Plan Steering Committee 3/30/22, 5/4/22, 6/1/22, 8/3/22, 9/7/22, 10/5/22, and 12/14/22: The Master Plan Steering Committee held seven meetings in 2022. The committee was chaired by Commissioner John Avdoulos. Discussion items included:

- Master Plan Update
- Master Plan Survey
- Master Plan Focus Groups
- Master Plan Trip to Fishers, Indiana and Carmel, Indiana
- Master Plan Focus Areas
- Discussions with Developers
- Real Estate Market Analysis

Additional information can be found here: Master Planning and Zoning Agendas and Minutes | City of Novi

Walkable Novi Committee 3/24/22, 6/16/22, 8/18/22, 12/15/22: The Walkable Novi Committee held four meetings during 2022. The committee was chaired by Parks, Recreation and Cultural Services Commissioner Joe Tolkacz. Discussion items included:

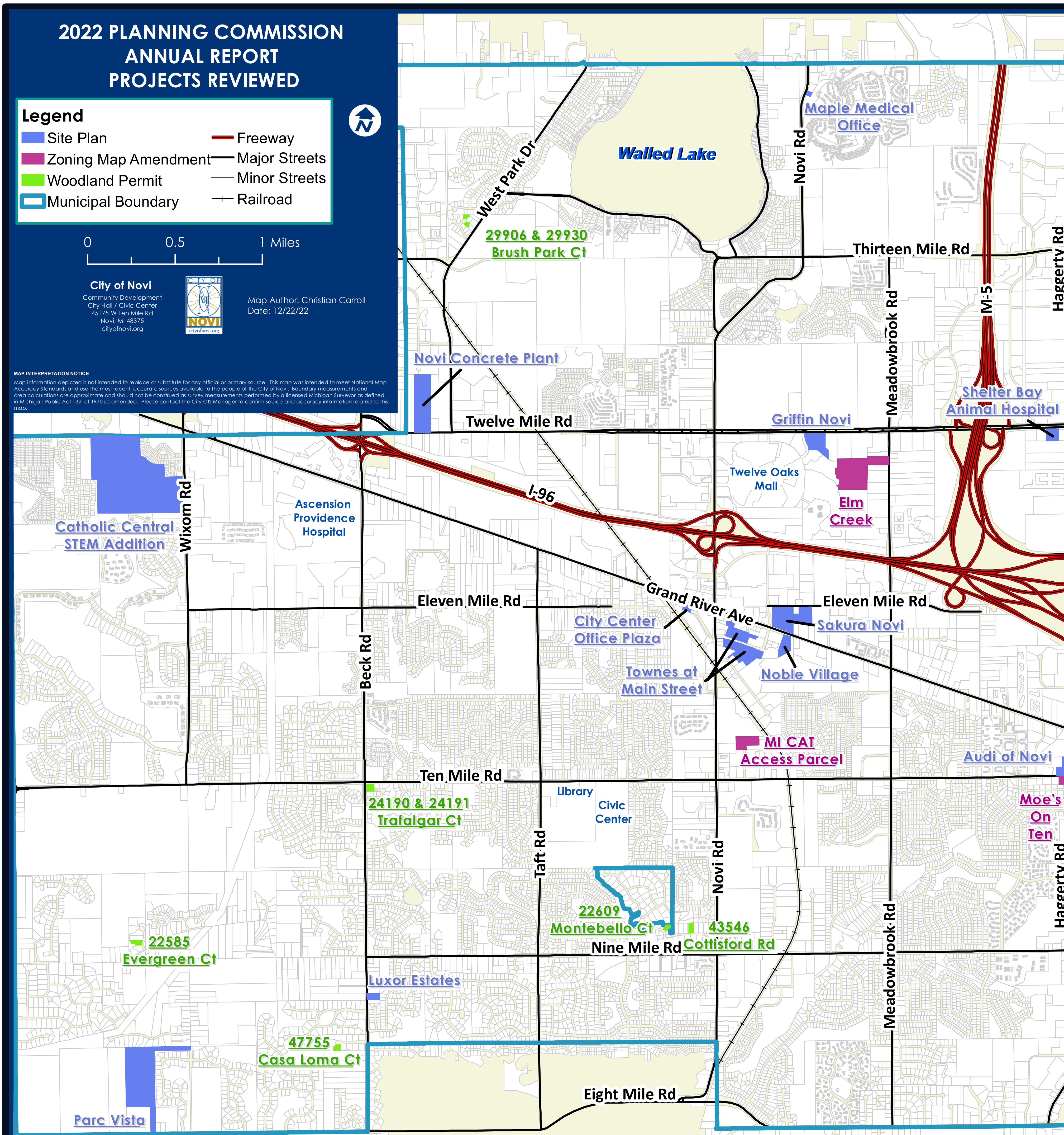
- Non-motorized Capital Improvement Projects
- 2022-2023 Adopted Budget: Non-Motorized Capital Improvement Projects
- City Wayfinding Signage
- Major Segment Prioritization
- Introduction to the Novi Non-Motorized Master Plan Update

Additional information can be found here: Walkable Novi Committee | City of Novi

Looking Ahead to 2023

The Planning Commission can look forward to the following objectives in 2023:

- Updates to the Zoning Ordinance as determined necessary and to reflect present-day needs
- Potential adoption of the updated Master Plan for Land Use
- Begin the review and update of the Non-Motorized Transportation Plan
- Finalize the Ordinance updates for the City West Zoning District
- Training opportunities



Legend

Site Plans

Catholic Central STEM Addition - construct a 54,545 square foot addition to the main school building for STEM classrooms and labs.

Griffin Novi - PD-2 option to construct 174 multiple-family residential units.

O'Reilly Auto Parts and Drainage Improvements - construct exterior site improvements including paving and drainage improvements.

City Center Office Plaza - construct a 3-story office building with a bank on the first floor and general office on the upper floors.

Townes of Main Street - construct 192 townhouse-style apartments in three phases.

Audi of Novi - construct a 11,935 square foot car dealership.

Maple Medical Office - remove the existing tennis courts on the site and construct a 2,558 square foot medical office.

Shelter Bay Animal Hospital - interior renovation of a former Ruby Tuesday restuarant to convert into an animal hospital and catering kitchen.

Sakura Novi - construct a mixed-use development including commercial retail, office, restuarant uses, and multifamily residential units.

Parc Vista - construct 44 single-family residential units.

Novi Concrete Plant - construct a 8,700 square foot concrete plant with two silos.

Noble Village - construct a range of site improvements including major facade changes, a 2,170 square foot addition to accomodate a few new uses including an Asian food hall and community meeting spaces.

Luxor Estates - construct 6 two-family attached housing units with a proposed density of 3.9 units per net acre.

Single Family Woodland Use Permits

29930 Brush Park Ct - Request to remove 24 regulated woodland trees to build a residence.

29906 Brush Park Ct - Request to remove 4 regulated woodland trees to build a residence.

24190 Trafalgar Ct - Request to remove 42 regulated woodland trees to build a residence.

24191 Trafalgar Ct - Request to remove 79 regulated woodland trees to build a residence.

22609 Montebello Ct - Request to remove 8 regulated woodland trees to receive approval of final grade for a residence.

47755 Casa Loma Ct - Request to remove 19 regulated woodland trees to plant alternative landscape plantings.

22585 Evergreen Ct - Request to remove 5 regulated woodland trees to build a residence.

43546 Cottsiford Rd - Request to remove 38 regulated woodland trees to build a residence.

Ordinance Amendments

Text amendment to allow for climate-controlled self-storage facilities.

Zoning Map Amendments

Elm Creek - Proposal to rezone the site from OST to RM-1 with a PRO. The applicant is proposing to develop a 68 unit multiple-family residential development.

MI CAT Catherine Drive Access Parcel JZ21-22- Proposal to rezone the site from I-1 to I-2 with a PRO. The applicant is proposing to use the site for outdoor storage for construction equipment related to Michigan CAT's shore and pump operations.

Moe's on Ten - Proposal to rezone from B-1 to B-3 to continue operating the site as a sit-down restaurant.

MEMORANDUM

TO: VICTOR CARDENAS, INTERIM CITY MANAGER
FROM: CARL A. JOHNSON, JR., CFO
TINA GLENN, ASSISTANT CITY TREASURER
CC: CORTNEY HANSON, CITY CLERK
SUBJECT: QUARTERLY INVESTMENT REPORT – SEPTEMBER 30, 2022
DATE: JANUARY 6, 2023

cityofnovi.org

Attached to this memo is the investment report for the City of Novi as of September 30, 2022. This memo outlines the investment factors and trends that were playing a role in our investment decisions for the first quarter of the fiscal year.

Nationally

According to the minutes of the Federal Open Market Committee (FOMC) meetings held on September 20-21, 2022, "The information available at the time of the September 20–21 meeting suggested that U.S. real gross domestic product (GDP) was increasing at a modest pace in the third quarter after having declined over the first half of the year. Labor demand remained strong, and the labor market continued to be very tight. Recent monthly readings indicated that consumer price inflation – as measured by the 12-month percentage change in the price index for personal consumption expenditures (PCE) – remained elevated."[1]

According to the Bureau of Labor Statistics News Release, "Total nonfarm payroll employment rose by 261,000 in October, and the unemployment rate rose to 3.7 percent, the U.S. Bureau of Labor Statistics reported today. Notable job gains occurred in health care, professional and technical services, and manufacturing."[2]

The City is continuing to invest pursuant to the Investment Policy and the Retirement Health Care Investment Policy. The City's funds are invested in a variety of instruments including commercial paper, money market accounts, certificates of deposit, agencies, and pooled accounts. The primary focus and order of priority is on safety of capital, liquidity, and lastly return on investment.

Risk

As required by the Governmental Accounting Standard Board, GASB 40 identifies several reporting and disclosure requirements for public funds that are designed to manage and limit risk in deposits and investments. These disclosures are only required as part of the year-end financial statements, the applicable risks are as follows:

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[1] https://www.federalreserve.gov/monetarypolicy/files/fomcminutes20220920.pdf
[2] https://www.bls.gov/news.release/pdf/empsit.pdf

Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the investment or the government's cash flows. Disclosure of interest rate risk addresses the exposures of investments to changes in market value as interest rates increase or decrease from current levels. In accordance with the City investment policy, the City limits its exposure to possible decline in fair market value by controlling duration or maturities. Investment maturities for operating funds shall be scheduled to coincide with projected cash flow needs, considering large routine expenditures (payroll, debt service), as well as considering sizable blocks of anticipated revenue (taxes, state revenue sharing payments).

Credit Risk: Credit risk is the risk that the investment counterparty will not fulfill its promise to pay the government when required. There is credit risk associated with the financial institutions, brokers and investment instruments the City does business with. The City's investment officer must also be held to the highest standards. The City's investment policy utilizes the prudent person rule: "Investments are made with judgment and care - under circumstances then prevailing - which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Any commercial paper purchased must be those rated within the highest classification established by at least two standard rating services. Obligations of the State or its subdivisions must be rated of investment grade by at least one rating service. Because the State of Michigan does not require collateralization of public funds, the City's policy restricts Certificates of Deposit investments to those with financial institutions that are members of the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration.

Concentration of Risk: Governments must disclose any single issuer that comprises more than 5% of the investment value in the portfolio. This disclosure is to ensure that there is proper diversification and not a concentration of public funds with any one issuer. While CD's and commercial paper are being used only occasionally for diversification, the City's funds are primarily invested in guaranteed accounts and treasuries. To reduce concentration risk, the City's investments are diversified amongst several highly rated financial institutions.

Investment Report

Attached is a summary listing of investments by issuer that the City held on September 30, 2022 (excluding Retiree Healthcare and Pension Investments that are not subject to Public Act 20 Investment Limitations). The listing includes the market value, type of investment, days to maturity, interest rate (yield) and amount of investment (book value). The book and market value for the Fifth Third checking account represents the bank balance on September 30, 2022, and does not include any month end reconciling items.

A comprehensive detailed listing of each investments details and maturity date is maintained in the Treasurer's office. The report includes all investment accounts by issuer including all pooled fund accounts. Please note that all investments included in this report are in accordance with the City's Investment Policy and State statutes and meet the City's investment objectives including; Safety of Capital, Liquidity, and lastly Return on Investment. The issue of non-compliance with the MERS Retiree Health Care Account is currently being addressed and remedies are being considered.

City of Novi
Quarterly Investment Report
September 30, 2022

Investment Officer's Certification: This report is prepared for the City of Novi in accordance with Chapter 2256 of the Public Funds Investment Act (PFIA). Section2256.023 (a) of the PFIA states that "Not less than quarterly, the investment officer shall prepare and submit to the governing body, a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report is signed by the Finance Director and includes the disclosures required in the PFIA. Market prices were obtained from Various Brokerage Accounts: Huntington Bank, UBS, Comerica, Fifth Third Securities and J. P. Morgan .

PERFORMANCE VALUES

TRR-MV	Total Rate of Return - Market Value	-0.95%
Annualized TRR-MV	Annualized Total Rate of Return - Market Value	-3.75%
YTM@Cost	Yield to Maturity @ Cost	2.336%

BENCHMARKS

Treasury 6 Month 3.24%
Treasury 1 Year 3.40%

FISCAL YEAR TO DATE

Investment Income -1,244,182
TRR-MV -0.95%

Security Sector	Face Amount/Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
Cash	5,417,184.54	5,417,184.54	5,417,184.54	4.14	0.00	1
Certificate Of Deposit	11,513,000.00	11,205,483.46	11,466,195.86	8.77	2.44	1,025
Corporate	37,675,000.00	37,287,105.02	37,348,795.73	28.56	3.10	91
Local Government Investment Pool	17,790,566.81	17,790,566.81	17,790,566.81	13.60	2.58	1
Municipal	36,505,000.00	34,855,114.30	37,249,318.87	28.48	2.21	1,307
US Agency	21,695,000.00	19,800,091.65	21,519,908.23	16.45	1.56	1,083
Total / Average	**130,595,751.35**	**126,355,545.78**	**130,791,970.04**	**100.00**	**2.34**	**667**

1/6/23

Carl A. Johnson, Jr. -Finance Director / Treasurer, CFO

Date

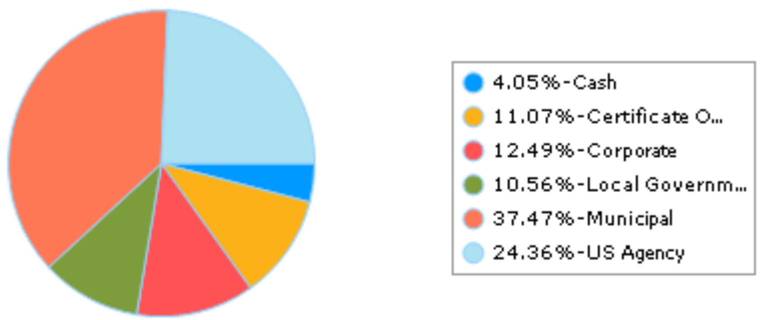
City of Novi
Distribution by Security Sector - Market Value
All Portfolios

Begin Date: 6/30/2022, End Date: 9/30/2022

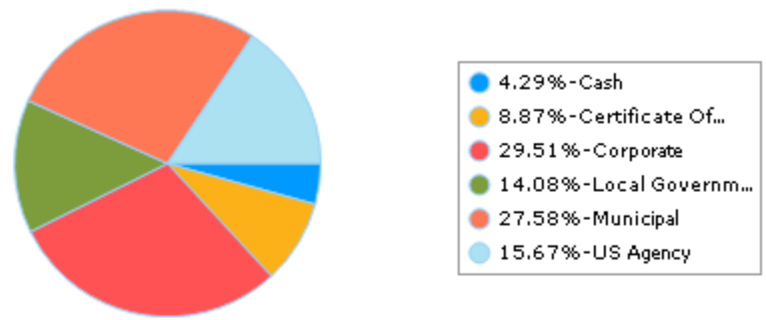
Security Sector Allocation

Security Sector	Market Value 6/30/2022	% of Portfolio 6/30/2022	Market Value 9/30/2022	% of Portfolio 9/30/2022
Cash	3,868,961.13	4.05	5,417,184.54	4.29
Certificate Of Deposit	10,563,790.83	11.07	11,205,483.46	8.87
Corporate	11,919,219.10	12.49	37,287,105.02	29.51
Local Government Investment Pool	10,082,451.60	10.56	17,790,566.81	14.08
Municipal	35,765,591.05	37.47	34,855,114.30	27.58
US Agency	23,248,189.95	24.36	19,800,091.65	15.67
Total / Average	**95,448,203.66**	**100.00**	**126,355,545.78**	**100.00**

Portfolio Holdings as of 6/30/2022



Portfolio Holdings as of 9/30/2022



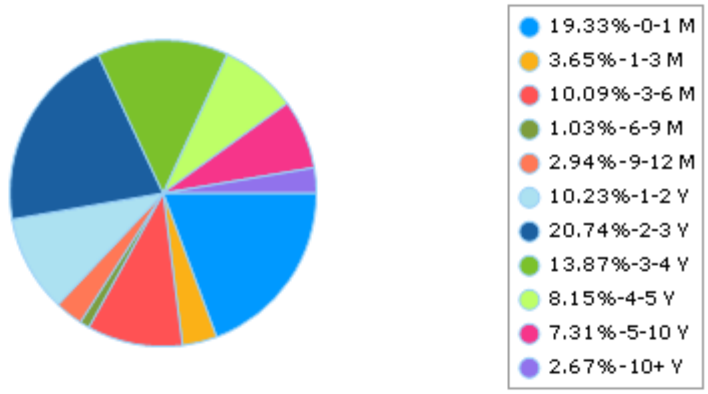
City of Novi
Distribution by Maturity Range - Market Value
All Portfolios

Begin Date: 6/30/2022, End Date: 9/30/2022

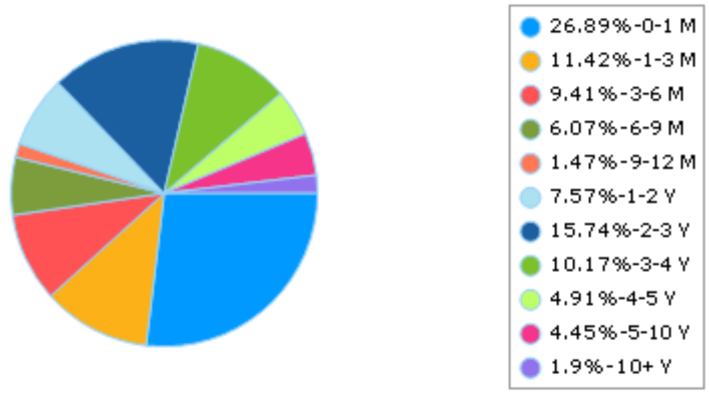
Maturity Range Allocation

Maturity Range	Market Value 6/30/2022	% of Portfolio 6/30/2022	Market Value 9/30/2022	% of Portfolio 9/30/2022
0-1 Month	18,454,226.71	19.33	33,976,326.91	26.89
1-3 Months	3,486,992.81	3.65	14,435,875.99	11.42
3-6 Months	9,626,622.19	10.09	11,887,667.46	9.41
6-9 Months	982,439.50	1.03	7,664,797.86	6.07
9-12 Months	2,808,668.30	2.94	1,862,836.90	1.47
1-2 Years	9,762,300.65	10.23	9,561,469.20	7.57
2-3 Years	19,795,776.90	20.74	19,889,469.20	15.74
3-4 Years	13,236,179.05	13.87	12,853,302.50	10.17
4-5 Years	7,775,907.80	8.15	6,198,033.81	4.91
5-10 Years	6,973,782.55	7.31	5,622,501.75	4.45
10+ Years	2,545,307.20	2.67	2,403,264.20	1.90
Total / Average	**95,448,203.66**	**100.00**	**126,355,545.78**	**100.00**

Portfolio Holdings as of 6/30/2022



Portfolio Holdings as of 9/30/2022



City of Novi
Portfolio Holdings
Investment Portfolio - by Issuer, Summary
As of 9/30/2022

Description	YTM @ Cost	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
Allen Park Municipal Bond	3.198	445,160.68	438,857.55	398	5,959.80	0.34
Allendale MI Pub Sch Dist Unltd tax go ref bonds	1.757	1,032,431.28	804,550.00	3,319	8,898.61	0.77
Amcor Flexibles NA IN Commercial Paper	3.500	998,157.79	998,369.19	19	0.00	0.77
Black Hill Corporation Commercial Paper	3.050	997,131.60	997,081.68	34	0.00	0.77
Capital One NA Certificate of Deposit	3.354	2,800,000.00	2,697,324.00	1,443	11,319.45	2.14
Catholic Health Initiative Commercial Paper	2.925	1,996,214.16	1,995,965.85	24	0.00	1.53
CDP Financial IN Commercial Paper	4.280	970,158.59	967,984.74	259	0.00	0.77
Center Line Public Schools Municipal Bond	3.589	165,919.49	163,937.40	579	2,731.67	0.13
Charter Township of Commerce Municipal Bond	2.630	290,000.00	280,186.40	732	3,792.31	0.22
Chippewa Valley Michigan Schools Municipal Bond	2.237	1,000,000.00	907,340.00	1,674	9,258.69	0.77
Citigroup Global Market Commercial Paper	1.300	997,746.28	994,050.00	63	0.00	0.77
City of Ishpeming MI Municipal Bond	1.800	309,114.37	253,403.15	2,405	2,549.97	0.23
Collat Commercial Paper VC	3.350	985,526.07	981,008.36	159	0.00	0.77
Crown Point Capital Commercial Paper	3.800	977,253.27	972,681.98	221	0.00	0.77
Delhi TWP MI Municipal Bond	1.980	70,000.00	69,878.90	32	573.65	0.05
Enbridge US INC Commercial Paper	3.375	1,981,623.71	1,978,926.13	93	0.00	1.53
Enel Finance America LLC Commercial Paper	3.930	2,724,051.00	2,718,960.95	172	0.00	2.12
Entergy Corporation Commercial Paper	3.565	1,987,806.19	1,988,288.90	62	0.00	1.53
Federal Farm Credit Bank US Agency Bond	1.220	2,196,828.35	1,996,502.20	1,047	2,007.19	1.71
Federal Home Loan Bank US Agency Bond	1.646	16,868,431.89	15,544,469.45	1,140	31,417.20	12.99
FHLMC	1.419	1,465,780.39	1,346,100.00	1,047	1,200.00	1.15
Fifth Third	0.000	5,417,179.54	5,417,179.54	1	0.00	4.15
FNMA	1.057	988,867.60	913,020.00	852	965.83	0.77
Hartland Mich Cons Sch	1.811	950,000.00	931,945.00	290	7,120.14	0.73
Holland Mich Taxable Go Ltd Tax Bds Ser	2.910	175,000.00	173,246.50	305	834.60	0.13
Holly Mich Area School Dist	2.660	1,760,000.00	1,700,973.60	725	19,374.14	1.35
Homer Cmnty SD	2.400	837,447.35	763,239.80	1,674	12,996.11	0.60
HSBC USA In	3.700	1,966,182.66	1,959,866.72	168	0.00	1.53
Intesa Sanpaolo Fdg LL	2.980	996,054.75	995,466.67	48	0.00	0.77
Jackson CNTY MI Transprtn Fund Bond	2.455	262,333.47	222,146.40	2,984	2,958.34	0.18
JP Morgan Sec LL	1.451	2,989,938.89	2,978,109.12	73	0.00	2.30
Ken Mi Hosp Fin Auth	1.447	2,906,654.63	2,722,042.80	870	13,768.70	2.19
Kent MI Hosp Fin Auth Revenue	1.936	105,562.15	87,383.00	2,480	587.71	0.08
Lake Michigan MI CLG DIST	3.158	108,121.82	100,757.00	4,354	322.22	0.08
Lansing Mich Bldg Autho Go Ref Bds	5.516	73,399.60	72,890.40	244	25,014.67	0.06
Lime Funding LL	3.460	989,465.32	987,882.51	111	0.00	0.77
Lincoln Cons Sch Dt	1.988	693,326.73	684,677.00	213	956.08	0.54
Livonia MI Public Sch	0.642	700,000.00	670,823.75	409	1,860.32	0.54
LMA Americas LL	3.400	1,980,503.63	1,977,075.04	105	0.00	1.53
Mackinac Funding Co LL	4.000	985,020.78	984,397.24	137	0.00	0.77

Description	YTM @ Cost	Book Value	Market Value	Days To Maturity	Accrued Interest	% of Portfolio
Macomb Cnty MI	2.739	1,428,830.19	1,287,364.00	2,954	22,200.17	1.00
Macomb Cnty-Ref	0.592	185,000.00	174,273.30	595	453.06	0.14
Michigan Class	2.586	17,694,982.72	17,694,982.72	1	0.00	13.55
Michigan Fin Auth	1.647	5,810,048.93	5,473,881.95	742	32,917.26	4.41
Michigan St Bldg Auth	2.320	904,399.50	885,822.00	380	2,749.27	0.70
Michigan St Fin Auth	2.109	4,096,987.07	3,913,224.50	557	54,465.66	3.08
Michigan St Hsg Dev Auth	2.340	97,329.92	84,571.20	3,349	996.62	0.07
Michigan St Strategic	1.538	596,597.08	561,706.20	702	388.42	0.46
Michigan State University Federal Credit Union	2.220	7,000,005.00	7,000,005.00	742	408,925.20	5.36
Morgan Stanley Bank	1.846	1,666,195.86	1,508,159.46	1,511	6,288.82	1.31
Mountcliff Funding LL	3.930	973,581.76	969,220.86	249	0.00	0.77
New Haven Community School	2.486	1,750,000.00	1,681,170.00	735	18,004.17	1.34
Oakland County	1.352	95,584.09	95,584.09	1	0.00	0.07
Oakland Univ Muni Bond	4.192	201,167.62	182,689.20	8,918	725.00	0.14
Oakland Univ-A	2.617	527,212.29	502,845.00	883	2,013.89	0.38
Oglethorpe Power Cor	2.900	998,955.64	998,884.17	13	0.00	0.77
Oxford Cmnty Schs	2.000	200,239.53	190,076.00	763	1,705.22	0.15
Pacific Life Short Ter	3.150	1,285,479.32	1,280,752.77	130	0.00	1.00
Parchment SD	2.755	1,310,000.00	1,275,384.80	590	14,935.19	1.00
Regatta Funding Co LL	2.940	996,192.14	995,561.13	47	0.00	0.77
Royal Oak Hosp Fin	3.553	1,145,901.75	1,086,966.40	3,100	4,269.44	0.81
Royal Oak MI	2.843	250,000.00	250,000.00	1	3,534.01	0.19
Sinopec Century Americ	2.846	4,598,551.23	4,598,420.68	4	0.00	3.52
State of Michigan	2.929	4,164,438.96	3,689,700.00	2,967	53,250.00	3.06
Telus Cor	3.150	994,614.11	994,144.45	62	0.00	0.77
Toronoto Dominion Bank	0.920	999,720.57	999,055.85	11	0.00	0.77
Transcanada Pipeline	3.400	993,163.03	993,105.58	73	0.00	0.77
Univ of Michigan	1.000	205,587.17	195,970.00	549	2,866.98	0.15
Wayne MI ST UNiV	2.601	113,396.39	104,616.00	2,238	1,875.00	0.08
Wayne St Univ-A-TXBL	0.700	861,081.64	791,724.00	777	4,213.88	0.65
Western Michigan University	2.410	616,629.26	612,120.00	411	11,250.00	0.46
Westpac Securities NZ	3.450	985,703.24	981,844.45	152	0.00	0.77
Ypsilanti MI	3.054	900,000.00	862,731.10	1,153	11,375.74	0.69
Total / Average	2.336	130,791,970.04	126,355,545.78	655	825,870.40	100

City of Novi
Date To Date
Investment Income - Market Value
Begin Date: 6/30/2022, End Date: 9/30/2022

Description	Interest Earned During Period-MV	Unrealized Gain/Loss-MV	Realized Gain/Loss-MV	Investment Income-MV	TRR-MV	Annualized TRR-MV
Cash	0.00	0.00	0.00	0.00	0.00	0.00
Certificate Of Deposit	90,759.57	-153,260.89	0.00	-62,501.32	-0.59	-2.33
Corporate	0.00	99,016.38	58,522.49	157,538.87	0.56	2.26
Local Government Investment Pool	109,242.75	0.00	0.00	109,242.75	0.42	1.70
Money Market	0.00	0.00	0.00	0.00		
Municipal	251,947.00	-910,476.75	0.00	-658,529.75	-1.83	-7.13
US Agency	55,665.99	-814,380.30	-31,218.00	-789,932.31	-3.61	-13.69
Total / Average	507,615.31	-1,779,101.56	27,304.49	-1,244,181.76	-0.95	-3.75

MEMORANDUM

CITY OF NOVI
cityofnovi.org

TO: VICTOR CARDENAS, INTERIM CITY MANAGER
FROM: CARL JOHNSON, FINANCE DIRECTOR
SUBJECT: RETIREE HEALTH CARE PLAN – INVESTMENT OVERVIEW
DATE: JANUARY 10, 2023

Mayor and Council -
A follow-up on the request by Council from the Audit presentation in December.
- Victor

The purpose of this memorandum is to provide an overview of the investment philosophy for the *City of Novi Retiree Health Care Plan.*

Overview

The City of Novi provides healthcare benefits to eligible full-time employees upon retirement. These healthcare benefits, which are referred to as *other post-employment benefits* (OPEB), are earned by employees during their working years but paid to (or used by) individuals after they retire. The decision to begin pre-funding OPEB began in the early 1990's when the City established the ***Retiree Health Care Benefits Fund.***

The OPEB liability, as determined by the actuary, is funded by contributions from the various funds of the city. Contributions by the city are required annually until the funding level is in the 130-140% funded range (not 100% due to the ever-changing assumptions of the actuaries). The contributions are invested similarly to pension funds on a long-term basis and are governed by a formal investment policy. The investment policy is updated periodically with the last amendments to it approved by City Council on December 9, 2019. The general investment strategy for long-term assets, like OPEB funds, is to aggressively invest them when the plan is in its infancy (70% equity/30% other) and more conservative as the liability gets closer to being fully funded, which is why the approved investment policy suggests ranges rather than absolute percentages. The $32.4 million of OPEB assets are allocated between three investment managers.

Funding Status and key Actuary Assumptions

The June 30, 2022, audit report shows the following:

Actuarial Accrued OPEB Liability	28,782,154
OPEB Plan Assets	32,361,913
Unfunded Actuarial Accrued Liability	(3,579,759)
Funded Ratio	112.4%

Historical Funded ratio:

- 2022 112.4%,
- 2021 131.9%,
- 2020 108.7%,
- 2019 104.4%,
- 2018 105.0%
- 2017 94.9%.

The two key assumptions in the annual reports include:

- A 7.0% annual investment rate for return.
- The health care cost trend (increases) range from 3.5% to 7.5%.

A decrease in the investment rate of return would increase the OPEB liability by approximately $3.840 million per 1% reduction.

Investment Strategy 2019-2022

During each of our quarterly meetings with the OPEB investment managers the city discussed the asset allocation percentages and the fact that the overall funding level was starting to exceed the 100% level. As noted in the attached email from UBS (one of the investment managers) the issue has been that if we were to immediately move a substantial amount of our investments from equities to fixed income or cash the interest rates have been at or near zero for the past 14 years and the result would have been little or no return. The overall direction was to continue to reduce the exposure in equities as the opportunities presented themselves with the goal of getting to the bottom of the existing investment policy which is 50% in equities. It is important to remember the actuary assumptions assume a 7% return annually, to the extent that is not reached, the funding level decreases. During this period the overall funding level began at 105% in 2019 and ended at 112.4% in 2022.

Investment Strategy 2023-2026

As noted in the attached email from UBS, the Fed has made aggressive interest rate hikes over the past nine months of over 4.25%, driving the yields up on fixed-income securities and cash from near zero to the 4-6% range. The investment managers agree now is the ideal time to begin a more significant shift from our current equity position into longer-term fixed-income securities. This shift is not something you do overnight as it should be timed with the maturity of investments and other factors but is moving forward currently. Two other items associated with this shift in investments include the amendment of the OPEB investment policy and change in actuarial assumptions. During the next few months, finance will be proposing an amendment to the OPEB investment policy which will update the new asset allocation targets (by 2026) of this mature plan of 30-50% equities and 50-70% fixed income. Coupled with the change in allocation will be the realization that the annual rate of return will fall to the 5-6% range and will need to be reflected in the actuarial assumptions. The actuarial change will be phased in over the next few years to try and ensure the city will continue no annual OPEB contributions. Furthermore, as part of the revised policy, staff will propose a game plan to reduce equity exposure as the OPEB fund sees a further increase to its funding level.

Summary

Overall, the investment plan for the OPEB assets has been very successful since my arrival at the city in 2014, increasing the OPEB funding level from 83% to its current level of 112.4%. The noted changes in investment allocations which began in 2019 and continue to date, should help reduce the volitivity of the assets and ensure overall excellent funding levels into the future.

Johnson, Carl

From: LaBruzzy, Jeffrey <jeffrey.labruzzy@ubs.com>
Sent: Tuesday, December 13, 2022 4:19 PM
To: Johnson, Carl; Glenn, Tina
Subject: Novi - Retiree Healthcare Fund
Attachments: Legal Disclaimer.txt

Carl and Tina,

Please review this summary of our discussions from our most recent quarterly review meeting on the allocation, risk and performance of the investments we manage on behalf of the Retiree Healthcare Fund. As you know we have comprehensive reviews on a quarterly basis which include a review of compliance with the IPS, current asset allocation, recent performance, long term performance and fund balance relative to overall anticipated liability. Additionally, we spend a significant amount of time on managing risk, incorporating economic outlooks, market valuations, interest rates and make allocation adjustments accordingly.

It can be easy to forget that the Fed was holding interest rates at almost 0% as recently as the Q1 2022. For the last 14 years the Fed has been holding interest rates at or near 0% for 11 of those 14 years. We experienced one period of rising interest rates from December of 2015 to December of 2018 during this 3 year tightening the Fed raised rates 25 basis points steadily 9 times for a totals increase of 2.25%. Ten months later from October 2019 to March of 2020 the Fed quickly cut rates 2.25% back to near 0%. This March almost exactly 2 years from the beginning of the last rate cuts the Fed began raising rates to combat inflation and cool the hot economy. The fed has aggressively raised rates 7 times this year from March 2022 through December 2022. The speed and rate of these recent increases is unprecedented, a 425 basis point increase in less than 9 months. These increases have resulted in significant negative returns in both bonds and equities.

We believe the recent rate increases have provided a potential opportunity to rebalance the portfolio. Our direction is to consider reducing equity exposure and increase fixed income exposure. Fixed income yields are now at a more attractive level. Yields have not been at current levels in the last 14 years. Equity valuations are more normalized and if earnings continue to meet expectation are fairly valued. We believe a fundamental shift will occur away from growth equities that have been using inexpensive debt to fund growth to equities with consistent earnings and cash flow.

As you may recall we have consciously reduced our equity exposure, we have liquidated equities to cover 100% of the requested distributions. The portfolio has weathered the "Great Recession" and "Covid 19" by maintaining a disciplined, unemotional investment approach guided by the IPS. Our allocation remains near the upper range of equity exposure. We anticipate the equity market will stabilize and recover as the significant rate increases are digested and inflation is corralled. .

Our long term performance has exceeded the Benchmark as defined by the IPS and the return used by the Actuary. Our goal is to continue this outperformance.

The portfolio only exists to cover future anticipated Retiree Healthcare expenses. Actuarial calculations are the tool we have to anticipate this future liability. These calculations assume a consistent rate of return. My understanding is the actuaries are using a return estimate of 7% and a 17 year time horizon to determine the level of funding necessary to meet the obligations of the Retiree Healthcare Fund. We are working with a finite pool of covered individuals; the actual expenses and timing remains uncertain. Current bond yields range from 4-6%, increasing our allocation to 100% bonds may result in a guaranteed shortfall of future liabilities. I suggest it would be helpful to request the actuary calculate funding levels based on 4, 5 and 6 percent returns. (I have done some Present Value and Future Value calculations and believe reducing the 7% return assumption/goal would result in an underfunded plan ranging from 61%-86% funded. I am unable to model any out flows for benefit payments which are important so you must rely on actuary calculations).

We discussed reviewing the IPS, and if it was appropriate, revisit overall investment guidelines. I believe the current document provides enough flexibility to accomplish the stated goals and modifications are not necessary.

We discussed the idea of systematically reducing equity exposure by dollar cost averaging and dollar into an increased bond exposure. No specifics were proposed but the logic of not timing the rebalancing all at one point and time was the emphasis.

I hope you find this useful. Let me know if you need any additional information or clarification.

Regards,

Jeffrey J. LaBruzzy
Senior Vice President
Wealth Management

UBS Financial Services, Inc.
2301 W. Big Beaver Rd., Suite #800
Troy, MI 48084

(248) 760-6182 *mobile*
(248) 649-7576 *Linda*
(855) 820-3981 *fax*
jeffrey.labruzzy@ubs.com

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MEMORANDUM

cityofnovi.org

TO: JEFF MUCK, PRCS DIRECTOR
FROM: MADISON LACHANCE, RECREATION SUPERVISOR
SUBJECT: OLDER ADULT SERVICES ADVISORY BOARD UPDATE
DATE: JANUARY 12, 2023

Mayor and Council,

A quick update on the fantastic efforts from the OAS Advisory board.

- Victor

The Older Adult Services Advisory Board, established in 2013, provides the opportunity for members to share feedback from the community, share new ideas about programming, and provide insight on services and programs already in place.

The Board currently consists of six at large Novi citizen members, a Parks, Recreation and Cultural Services (PRCS) Commission liaison, and two staff liaisons from PRCS/Older Adult Services:

- Madison Lachance – Recreation Supervisor – PRCS/OAS Staff Liaison
- Sandy Fisher – Social Services Coordinator – OAS Staff Liaison
- Salene Riggins – PRCS Commissioner
- Dr. Joslen Letscher
- Michael Longo
- Mary Storch
- Neha Kiru
- Janet Censoni
- Cecilia Gallagher

The Board meets bi-monthly on the third Tuesday of the month at 6pm.

Over this past year, the Board met six times. During these meetings, members were updated on programs, Special Outreach Services (SOS), social services, and park projects. Each meeting provides an opportunity for members to share actionable input, informed feedback, or timely observations. Members have been asked to participate in and/or volunteer at programs in the new year to provide better feedback.

Many topics were covered at the meetings this year including the following highlights:

- Discussion on the senior services offered by the City of Novi and how they align with the Oakland County Blueprint for Successful Aging.
- New ideas and input on the OAS monthly activity calendar.
- Ways to attract Older Adults at the Winter, Wine, and Whimsey event.
- Programming ideas for 2023 to continue attracting younger older adults.
- Suggesting possible new names for Older Adult Services.
- Complimented staff on the increase and diversity in programs being offered.

Older Adult Services promotes healthy, active lifestyles that support independence and vitality for adults 55+ by providing opportunities and networks within the community for socialization, health and fitness, life-long learning, support services, and transportation.

MEMORANDUM

cityofnovi.org

TO: JEFF MUCK, PRCS DIRECTOR
FROM: ALYSSA GOLLES, RECREATION SUPERVISOR
SUBJECT: CULTURAL ARTS ADVISORY BOARD UPDATE
DATE: JANUARY 5, 2023

Mayor and Council,

Please see the annual update on the great efforts taken up by the Cultural Arts Advisory Board.

- Victor

The Cultural Arts Advisory board allows Novi community members interested in arts and culture to share feedback on current programs and projects, bring new ideas for future programming and projects, and share their individual knowledge with the group.

The Cultural Arts Advisory Board currently consists of six community members and a staff liaison from both the Parks, Recreation and Cultural Services Department, and the Novi Public Library:

- Alyssa Golles – Recreation Supervisor – PRCS Staff Liaison
- Mary Robinson – Digital Services Librarian – Library Liaison
- Stephanie Hall
- Becky Staab
- Laura Williams
- Mahesh Wasnik
- Bicky Dhillon
- Morgaine Fambrough

The Advisory Board meets bi-monthly on the first Wednesday of the month at 6 pm at the Novi Civic Center. The Board has covered many topics over the past year; a noteworthy few are:

- The relocation of David Barr's sculptures to Fuerst Park. The three sculptures were previously on loan to the City of Farmington.
- Program ideas to attract new program participants to classes and activities such as adult and senior painting classes.
- The potential to add a large art piece to the future park property at Beacon Hill.
- Input and discussion regarding a new public art plan for the future of sculptures and art throughout the park system, including sponsorships, potential artists, and other community's programs to get inspiration from (i.e. Chelsea & Dexter).
- The selection of atrium artists for the 2023 calendar year.
- Input to the selection of Villa Barr artists in Resident.

In addition to the initiatives listed above, the Board began discussions regarding the Resource Management Plan for the Cultural Arts Advisory Board. This plan guides the Board on where they should focus attention and what projects may benefit from the Board's input. The overall goal of the Cultural Arts Advisory Board is to continuely support and grow art and culture opportunities for the Novi Community.

MEMORANDUM

TO: VICTOR CARDENAS, INTERIM CITY MANAGER

FROM: JEFF MUCK, PRCS DIRECTOR

JEFF HERCZEG, DIRECTOR OF PUB

SUBJECT: LAKESHORE TUNNEL UPDATE

DATE: JANUARY 12, 2023

Mayor and Council -
Unfortunate news from the bid openning for the planned tunnel replacement at Lakeshore. Staff is recommending that overage come from the Drain Fund. This will appear on your next agenda.
- Victor

The pedestrian tunnel under South Lake Drive which connects Lakeshore Park to the beach requires improvements. The project scope includes removing the existing tunnel and replacing it with a new precast 7'x 10'concrete tunnel, improved drainage with an outlet to Walled Lake and reconstruction of the road. Additional site improvements include new fence, guardrail, sidewalk, and lockable gates on both sides of the tunnel.

Staff received bids on December 20, 2022, for the project. The lowest qualified bid was ~$600K for construction, which is about double of the original engineer's estimate(see attached letter of explanation on overages). Additional cost to relocate DTE power lines, a modified project scope, and construction engineering puts the current out-the-door budget at ~$1M (see out-the-door attached).

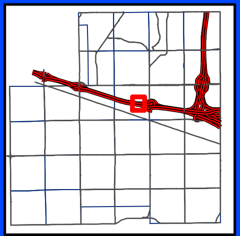
The budget for the project at the time of design award was around $500K, therefore, a budget amendment for and additional ~$500K will be required to execute the project. The construction award and budget amendment will be on the January 23, 2023, City Council agenda for consideration.

Construction is now expected to start in early spring of 2023 with completion no later than Memorial Day to minimize the impact on usage of the park and beach. Please let staff know if additional information on the project is required.

Lakeshore Park Tunnel

Location Map

Map Author: Jokic
Date: 06/08/2022
Project: Lakeshore Park Tunnel
Version #: 1.0



City of Novi

Engineering Division
Department of Public Works
26300 Lee BeGole Drive
Novi, MI 48375
cityofnovi.org

0 5 10 20 30
Feet
1 inch = 42 feet

AECOM

January 10, 2023

Ms. Rebecca Runkel
City of Novi
26300 Lee Begole Drive
Novi, MI 48375

Reference: Cost Differences for Lakeshore Park Tunnel Replacement

Dear Ms. Runkel,

The primary reason for the higher costs is the current state of industry variability, which makes it difficult to accurately estimate how contractors will bid. MDOT, GLWA and the city have all experienced similar problems with bid prices regularly coming in 20-40% higher than the engineer's estimate. On this project, for example, among the contractors bidding, the highest bid received was more than twice the winning bid. While eleven Contractors submitted bids for this project (very competitive), it still resulted in higher than expected unit prices. A few items that accounted for the majority of the difference between the engineer's estimate and the winning bid are as follows:

- Hot Mix Asphalt – Prices for HMA have been rapidly increasing. The unit price included on the engineer's estimate are higher than recent prices, however, it appears as though the small quantity of asphalt required on this project resulted in bid prices being higher than expected.
- Culvert, Precast Conc Box, 10 foot by 8 foot, Install – The winning bid price for the culvert that was installed on Flint Street in 2019 was the starting point for the estimated unit price on this project. The estimated price per foot to install the culvert was 1.5 times the unit price of the winning bid for the Flint Street project, which was for the installation of a larger cross section than the Lakeshore Tunnel project. The winning bid for this project (same contractor who constructed Flint Street) was almost double the engineer's estimate.
- The estimated cost for the box culvert itself was higher than originally estimated. This was not part of the bid package as the city purchased the box culvert in advance of the start of the project to avoid delays due to lead times. This was largely a function of the availability of materials and backlog of work amongst fabricators. As above, the box culvert for this project was 50% more expensive than the larger and longer box culvert from the same fabricator as with the Flint Street project three years prior.
- Another specific item with a significantly higher cost was the concrete for the retaining walls. The unit price of the winning bid was over twice as expensive as the engineer's estimate. The engineer's estimate for this unit price, as with others, was based off the MDOT average unit prices with an effort to adjust based on the total quantity needed for the project.
- Finally, the condensed timeline for installation and additional costs to move DTE power lines increased overall project scope and contributed to higher bid prices.

Sincerely,

AECOM Great Lakes, Inc.

Sean Kelsch

Sean Kelsch, PE
Vice-President

AECOM Great Lakes, Inc.
27777 Franklin Road, Suite 2150
Southfield, MI 48034
Tel: 248.204-5900
Fax:248.204.5901

"OUT-THE-DOOR" PUBLIC PROJECT BUDGETING

PROJECT NAME: Lakeshore Park Tunnel Replacement

DESIGN

		Estimated Cost	Notes
Design Engineering		$39,644.10	AECOM PO 97044
ROW Acquisition		$0.00	
Geotechnical	1%	$7,965.00	TEC PO 97108
Contingency	10%	$0.00	
Sub-Total		**$47,609.10**	

CONSTRUCTION

		Estimated Cost	Notes
Construction Contractor		$601,961.00	Fonson PO
Construction Engineering		$48,156.88	AECOM
Crew Days	70	$56,000.00	AECOM
Material Testing	2%	$12,039.22	TEC PO
DTE Pole Relocation		$80,550.87	DTE- Executed
Box Culvert		$94,978.00	PO 97081 - Northern Concrete
Contingency	10%	$71,815.71	Estimated
Sub-Total		**$965,501.68**	

Grand Total ***$1,013,110.78***