

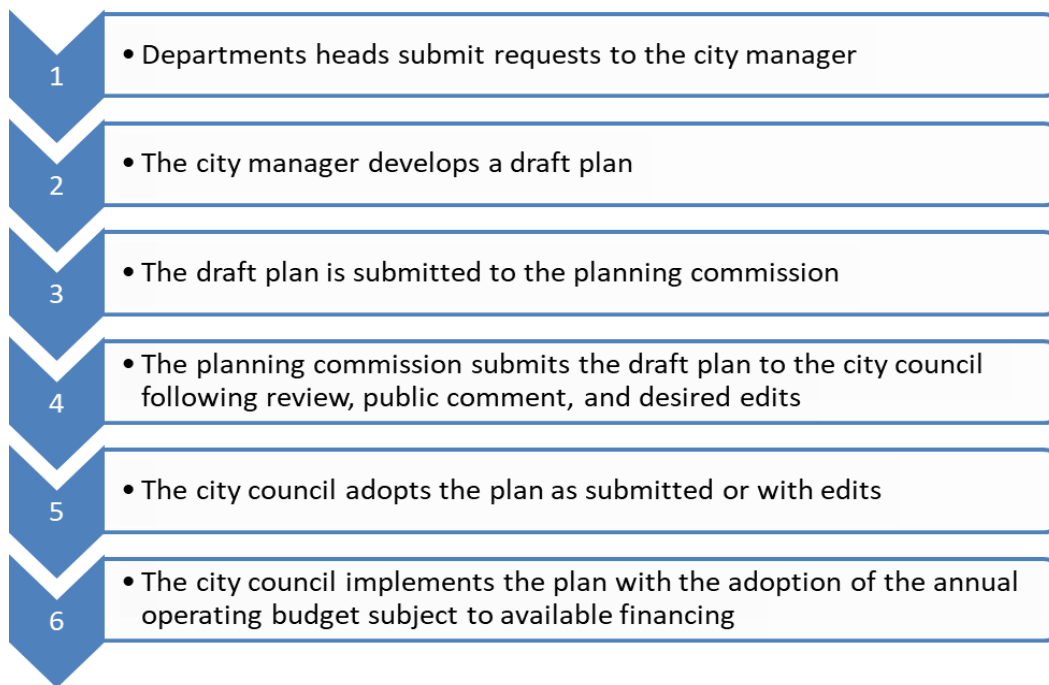


CITY OF WHITEHALL

2024 CAPITAL IMPROVEMENT PLAN

A capital improvement plan is a multi-year planning and fiscal management tool used to coordinate the location, timing, and financing of large scale public improvements and acquisitions. Expenditures exceeding \$10,000 with a useful life of no less than three years are included in this Plan. The importance of a plan is to evaluate all projects at the same time; serve as a public relations and economic development tool; ensure the stable and efficient use of public funds; foster cooperation among city departments; focus on the goals established by the city council; guide future growth and development; and enhance grant opportunities.

Michigan Public Act 33 of 2008 requires the adoption of a capital improvement plan by the local planning commission. Whitehall follows the process outlined below.



Capital improvements often require financial support beyond annual budgetary means and at times utilize multiple sources, internal and external. Whitehall has financed most of its capital improvements with cash. The City has at times increased fund balances beyond the minimum recommended reserve level to build up an adequate supply of cash for future improvements. This has often been done in Sewer Fund, Water Fund, and the Tax Increment Finance Authority.

Grant funding has been a significant source of revenue with just under \$7M awarded over the last 20+ years. Donations for the expansion and renovation of the Playhouse added another \$3.3M in external funding.

Cities have the authority to borrow money to finance capital improvements, commonly referred to as issuing bonds. Interest on borrowing increases costs and may limit future financial decisions. Borrowing does place the financial burden of those taxpayers that will be using the capital improvement over the term of the bond and life expectancy of the improvement. General obligation bonds are a common method of borrowing where the debt is paid back using property taxes. Revenue bonds pay off debt with revenues generated from a specific service such as sewer and water fees.

The total general obligation debt of a city may not exceed 10% of the taxable value. Whitehall's current taxable value is \$168M allowing debt limit of \$16.8 Million. There is currently no general obligation debt. Revenue bonds have no limit. The Playhouse has an outstanding revenue bond debt of \$667,000.

A city can acquire capital equipment through installment purchases. State law places a maximum amount of 1.5% of the taxable value, limiting Whitehall to \$2.5M. The City has a current balance of \$194,000.

Infrastructure improvements can be financed through special assessments. Property owners in a defined project area that derive a direct benefit from the improvements pay a pro-rated special assessment tax above the general operating millage. Whitehall has no special assessments.

Whitehall has been using tax increment financing for capital improvements for the last 35 years. The City Council established a Brownfield Redevelopment Authority (Tannery Bay), a Local Development Finance Authority (City Industrial Park), and a Tax Increment Finance Authority (Downtown and Howmet Facilities). The base taxable value is established the year in which a district is created. Any increase in the base value is "captured" by the authority for eligible expenses within the district. The capture includes millage levied by other taxing jurisdictions.

Anticipated capital expenditures are listed in the chart on the following pages. Actual funding will be determined on an annual basis weighing the need with available funding. Capital needs were not submitted for the Marina or Playhouse. TIFA and LDFA will be amending their development plans prior to years end and thus did not extend any capital needs beyond Fiscal Year 2024/25.

Street repairs have been identified by the City Council and residents as a high priority. 36% of the City's 26 miles of road have been rebuilt over the last 20 years at a cost of \$13.8M. Another \$27M will be required to completely rebuild the remaining 17 miles. As a priority, street repairs will minimize available funding for other capital projects.

GENERAL FUND	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
CITY HALL and GROUNDS						
Garden Room Bathrooms	\$40,000					
Garden Room Entry Doors		\$20,000				
Furnace Replacement		\$30,000		\$40,000		
Generator Replacement					\$50,000	
POLICE DEPARTMENT						
Admin Vehicle	\$32,000					
In-car Video & Body Cams	\$18,000	\$18,000	\$18,000	\$18,000	\$18,000	
Patrol Vehicle		\$43,000	\$44,000	\$45,000		
SIDEWALKS		\$45,000	\$45,000	\$20,000		\$30,000
CEMETERY						
Entry Sign	\$23,000					
Sexton Building Roof	\$12,000					
Pole Barn Roof		\$10,000				
Irrigation System				\$125,000		
PARKS						
Funnell Field Bathrooms	\$150,000					
Gee Park Playground	\$85,000					
Norman Park Views/Stairs			\$30,000			

TIFA	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Façade Grants	\$25,000					
Goodrich Park Playground	\$80,000					
Christmas Decorations	\$30,000					

STREETS	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Tree Plantings	\$15,000	\$15,000	\$15,000	\$20,000	\$20,000	\$20,000
Warner Street	\$1,250,000					
Lake Street (south)		\$300,000				
Livingston Street (north)		\$695,000				
Livingston Street (south)			\$502,000			
Muskegon Avenue				\$596,000		

SEWER FUND	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Meters	\$10,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Lift Station Replacement	\$1,200,000					
Benston Road Force Main	\$300,000					
Sewer Main Camera	\$15,000					
Lift Station #4 Generator		\$50,000				
Lake Street Force Main		\$950,000				
Lift Station #2 Generator			\$50,000			
First Street CIPP			\$50,000			
Spring Street Crossings				\$50,000		
CIPP				\$100,000		\$200,000

WATER FUND	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Meters	\$10,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Warner Street Water Main	\$500,000					
Tower #5 Coating		\$100,000				
Back-up Generators		\$60,000				
Livingston Street (north)		\$225,000				
Livingston Street (south)			\$190,000			
Spring St (Franklin to Mears)				\$325,000		

MOTOR POOL	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30
Replace Drive & Parking Lot	\$55,000					
Truck 12-19 (2005)		\$350,000				
Sidewalk Snowplow		\$75,000				
Truck 12-18 (2010)			\$380,000			
Vehicle 1-01 (Admin)				\$25,000		
Truck 12-04 (2012)					\$75,000	
Tractor Backhoe (1996)						\$180,000