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TO: Detroit City Council

FROM: David Whitaker, Director   
Legislative Policy Division

DATE: November 28, 2022

RE: Fiscal Review of the Proposed Capital Agenda FY 2023-2024 through 2027-2028

On November 1, 2022, in accordance with the Detroit City Charter, the Administration presented to City Council the proposed Five-Year Capital Agenda for the fiscal years 2024 through 2028. Herein this report is the Legislative Policy Division's (LPD) fiscal review of the proposed Capital Agenda.

This document's submission to Council complies with the current Detroit City Charter, section 8-202, "Capital Agenda", that states on or before November 1 in each even numbered year, the mayor shall submit a proposed capital agenda for the next five fiscal years to the City Council. All of the charter-outlined tasks and review of the capital agenda must be completed and authorized by March 1 of the following year. If Council fails to act by March 1, the capital agenda as proposed shall be deemed approved.

The Government Finance Officers Association (GFOA) recommends capital planning policy includes such items as a clear definition of capital projects, the role of the various stakeholders in the process, financing policies (debt options versus pay as you go), funding sources, multi-year requirements, legal requirements, and monitoring oversight. Some key elements of GFOA Best Practices in capital planning are discussed later in this document.

This Proposed Capital Agenda includes the detail of many capital improvements in the city planned by city agencies as well as those planned through the Development Financing Programs that fall under the Detroit Economic Growth Corporation. Also, in this document are capital accomplishments and plans of agencies that have been spun off through both state legislation and City-created/Council approved authorities such as Eastern Market, the Historical Museum, the Zoo, and the Public Lighting Authority. While the City in most cases, continues to own the assets, they are managed by other entities through either contract,

memorandums of understanding or legislation. There is information provided about completed capital projects, the current fiscal year capital budget, out-year projects as well as other relevant projects.

## Best Practices in Capital Planning

GFOA recommends that governments prepare and adopt comprehensive, fiscally sustainable, and multi-year capital plans to ensure effective management of capital assets<sup>1</sup>. A prudent multi-year capital plan identifies and prioritizes expected needs based on a strategic plan, establishes project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs. A capital plan should cover a period of at least three years, preferably five or more and contain the following components: 1. **Identify needs:** a capital asset life cycle should be developed for major capital assets; 2. **Determine financial impacts:** the full extent of the capital project/asset and the associated life cycle costs should be determined when developing the multi-year capital plan; 3. **Prioritize capital requests:** GFOA recommends that, when evaluating capital requests, governments should first prioritize based on health and safety considerations, service, and asset preservation; 4. **Develop a comprehensive financial plan:** governments should develop a viable overall multi-year financing plan covering the period of the capital program to ensure that the proposed projects are achievable within expected available resources. To sustain the financial health of the governmental entity, capital financing strategies should align with expected capital project requirements.

A key element in developing a comprehensive capital financial plan is to ensure the reliability and stability of identified funding sources. This provides transparency for citizens in the city's capital planning process and promotes confidence that future capital projects will come to fruition. To maintain credibility, information should be transparent and accurate setting clear expectations for citizens.<sup>2</sup> The use of vague terminology or acronyms limits a citizen's understanding of the city's capital program. Public participation and stakeholder involvement during the planning, design, and construction of capital projects is extremely important.<sup>3</sup>

## Capital Agenda as a Planning Tool

It is important to review this Capital Agenda in the proper context. It is a planning document prepared every two years for a five-year timeframe per City Charter requirements. The stated project prioritization can shift at any point in time as it often has in past cycles due to new priorities. Once Council authorizes the Agenda, the city still has no legal authority to carry out any of the projects. Requests for funding as well as contracts for the project work must still come before Council for authorization.

There are no secured appropriations as a consequence of approval of this document. Appropriations must first be budgeted and authorized in the annual budget process or intermittently through the fiscal year as funds are made available from other entities and then an actual contract and specific financing plan must be created and brought before Council for authorization.

## Proposed Capital Agenda Comparison

The proposed capital program totals \$2.45 billion and does not include the current fiscal year 2023 capital budget of \$710.7 million. This is an increase of 71.5% over the previous Capital Agenda, which totaled \$1.43 billion without the current fiscal year 2021 budget of \$423.9 million. The previous Capital Agenda

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<sup>1</sup> <https://www.gfoa.org/materials/multi-year-capital-planning>. Last updated September 2022

<sup>2</sup> <https://www.gfoa.org/materials/communicating-capital-improvement-strategies>. February 2014

<sup>3</sup> Ibid

totaled \$1.85 billion with the current fiscal year 2021 budget of \$423.9 million. See pages 7 and 8 in the proposed Capital Agenda for cost estimates for projects by category and by department.

In comparing the two Capital Agenda’s estimated costs by category, we observed a significant increase in all categories except Housing and Economic Development.

	<b>Previous 5-Year Capital Agenda Plan</b>	<b>Proposed FY 2024 - 2028 Capital Agenda</b>	<b>Difference</b>	<b>Difference %</b>
Health & Public Safety	\$ 88,120,413	\$ 119,735,000	\$ 31,614,587	35.9%
Housing & Economic Development	262,770,000	189,804,469	(72,965,531)	-27.8%
Open Spaces & Recreation	126,078,534	513,230,000	387,151,466	307.1%
Technology & Government Infrastructure	384,752,289	821,738,000	436,985,711	113.6%
Transportation	568,994,072	809,183,000	240,188,928	42.2%
Affiliated Entities	-	200,000	200,000	
<b>Total</b>	<b>\$ 1,430,715,308</b>	<b>\$ 2,453,890,469</b>	<b>\$ 1,023,175,161</b>	<b>71.5%</b>
FY 2021 - FY 2026 Capital Agenda	\$ 1,854,614,687 *			
FY 2021 Budget	423,899,380			
FY 2022 - FY 2026 Capital Agenda Plan	\$ 1,430,715,307 *			

\* rounding

- The 35.9% increase in Health & Public Safety is due to an 8% decrease in the Fire Dept capital program offset by increases in the Health and Police Department capital programs.
- The Demolition Department capital program was not included in the proposed Capital Agenda. This action along with an increase in Housing & Revitalization Department’s program resulted in overall reduction of -27.8% in the Housing & Economic Development category. The previous Capital Agenda included in the Demolition Department voter approved \$250 million Neighborhood Improvement Bonds (Proposal N) designated for blight removal- demolition (\$177 million) and housing rehabilitation (\$73 million). These bonds were approved by the voters on November 3, 2020. In February 2021, the city sold \$175 million in bonds with \$75 million to be sold as necessary in the coming years.
- The Open Spaces & Recreation program increased twofold, and the Technology & Government Infrastructure capital program increased by a multiple of four.
- The Transportation category increased by 42.7% partially due to the inclusion of the Airport capital program in this proposed Capital Agenda.

A comparison between the previous and proposed capital agenda by city agencies/component agencies is presented below.

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Agency #	Agency Name	Previous 5-Year Capital Agenda by Dept	Proposed 5-Year Capital Agenda by Dept	Difference	Difference %
10	Airport	\$ -	\$ 28,545,000	\$ 28,545,000	-
16	Demolition	204,000,000	-	(204,000,000)	-100%
19	Dept of Public Works	284,387,361	374,740,000	90,352,639	32%
20	Dept of Transportation	278,399,466	312,948,000	34,548,534	12%
24	Fire	47,430,413	43,785,000	(3,645,413)	-8%
25	Health	940,000	6,600,000	5,660,000	602%
31	Dept of Innovation Tech	28,240,000	42,600,000	14,360,000	51%
34	Municipal Parking	6,207,245	27,750,000	21,542,755	347%
36	Housing & Revitalization	10,370,000	69,554,469	59,184,469	571%
37	Police	39,500,000	69,350,000	29,850,000	76%
38	Public Lighting	-	5,900,000	5,900,000	-
43	Planning & Development	48,400,000	120,250,000	71,850,000	148%
47	GSD- Facilities	15,303,289	91,650,000	76,346,711	499%
47	GSD- Fleet	45,400,000	143,620,000	98,220,000	216%
47	GSD- Parks	118,218,534	382,455,000	264,236,466	224%
48/49	Detroit Water & Sewerage	295,809,000	510,348,000	214,539,000	73%
60	36 District Court	250,000	-	(250,000)	-100%
71	Elections	-	1,170,000	1,170,000	-
72	Detroit Public Library	7,860,000	-	(7,860,000)	-100%
<b>Component Units</b>					
	Charles H. Wright Museum	\$ -	\$ 11,730,000	\$ 11,730,000	-
	Detroit Riverfront Conservancy	-	-	-	-
	Detroit Transportation Corp	-	65,200,000	65,200,000	-
	Detroit/Wayne Port Authority	-	200,000	200,000	-
	Detroit Zoo	-	55,000,000	55,000,000	-
	Eastern Market	-	62,100,000	62,100,000	-
	Historical Society	-	1,945,000	1,945,000	-
	Public Lighting Authority	-	26,450,000	26,450,000	-
	<b>Capital Agenda - 5- Year Plan</b>	<b>\$ 1,430,715,308</b>	<b>\$ 2,453,890,469</b>	<b>\$ 1,023,175,161</b>	<b>71.5%</b>
	<b>Add FY 2021 Budget</b>	<b>423,899,380</b>			
	<b>Capital Agenda (as submitted)</b>	<b>\$ 1,854,614,688 *</b>			

\*rounding

Of the \$2.45 billion that is recommended in the proposed five-year plan, \$1.72 billion (70.3%) is from five capital programs under the purview of four agencies: DWSD, GSD- Parks, DPW- Streets, DOT, and GSD-Fleet.

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<b>Agency</b>	<b>Previous FY 2022- FY 2026 Capital Agenda</b>	<b>Proposed FY 2024- FY 2028 Capital Agenda</b>	<b>Difference</b>	<b>Difference %</b>
Detroit Water & Sewerage	\$ 295,809,000	\$ 510,348,000	\$ 214,539,000	72.5%
General Services Dept- Parks	118,218,536	382,455,000	264,236,464	223.5%
Dept of Public Works- Street Fund	284,387,361	374,740,000	90,352,639	31.8%
Dept of Transportation	278,399,466	312,948,000	34,548,534	12.4%
General Services Dept- Fleet	45,400,000	143,620,000	98,220,000	216.3%
<b>Total Top Five Agency Plans</b>	<b>\$ 1,022,214,363</b>	<b>\$ 1,724,111,000</b>	<b>\$ 701,896,637</b>	<b>68.7%</b>
<b>Total Capital Agenda</b>	<b>\$ 1,430,715,308</b>	<b>\$ 2,453,890,469</b>	<b>\$ 1,023,175,161</b>	<b>71.5%</b>
<b>Percent of Total</b>	<b>71.4%</b>	<b>70.3%</b>	<b>68.6%</b>	

This proposed Capital Agenda anticipates funding from multiple sources, some well-established and additional new sources due to recent federal and state legislation. This capital plan assumes funding, such as DWSD Bonds, Federal Grants and State Formula Funds – will be accessible at the necessary times as planned. Federal and State legislation as well as the bond markets could potentially alter these plans. As previously discussed, the \$250 million Neighborhood Improvement Bonds are not included in this capital plan.

The amount of annual funding received through state and federal grants has a significant impact on the city’s ability to fund capital projects. In addition, the city’s ability to sell bonds provides an essential financial tool to address our capital needs. Therefore, it is important that we properly identify each potential funding source by project. This proposed capital agenda combines multiple funding sources by project which makes it difficult to ascertain the amount each source contributes to the overall capital program.

The table below shows the funding sources for the 2026-2028 proposed Capital Agenda as compared to the previous Capital Agenda. The funding sources highlighted in yellow line up categories in the proposed Capital Agenda that were used in the previous plan. As can be seen in the table below, the proposed Capital Agenda uses a number of new funding source categories.

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Funding Sources	Proposed Capital Agenda		Previous Capital Agenda		Difference	Related Capital Program	
	FY 2024-	FY 2028	FY 2022-	FY 2026			
Blight Fund	\$	1.10	\$	-	\$	1.10	General Services Dept (GSD)- Fleet program
<b>Bonds</b>		<b>8.90</b>		<b>434.67</b>		<b>(425.77)</b>	Multiple agencies
Bonds, I&E		5.70				5.70	Detroit Water & Sewage (DWSD)
Bonds, PAYGO		6.60				6.60	Health Dept
Bonds, PAYGO, Street Fund, Private, State & Federal Grants		71.60				71.60	Detroit Public Works (DPW)
CDBG		5.81				5.81	Housing & Revitalization Dept (HRD)
CDBG, HOME, CHOICE, ARPA		11.11				11.11	Housing & Revitalization Dept (HRD)
Decommissioning Fund		5.90				5.90	Public Lighting Dept inactive substation/Mistersky
<b>DWRF, Bonds</b>		<b>10.00</b>		<b>33.10</b>		<b>(23.10)</b>	Detroit Water & Sewage
<b>DWSRF, I&amp;E</b>		<b>39.15</b>		<b>1.50</b>		<b>37.65</b>	Detroit Water & Sewage
Federal Grants		4.80				4.80	Planning & Development (PDD)
Federal Grants, Philanthropy		11.50				11.50	Planning & Development (PDD)
FTA Discretionary		6.00				6.00	Detroit Transportation Corp (DTC) People Mover
FTA Discretionary, FTA Formula		50.00				50.00	DTC- People Mover
FTA Formula		6.00				6.00	DTC- People Mover
FTA Formula Operating Funds		0.20				0.20	DTC- People Mover
FTA Formula, State Grants		3.00				3.00	DTC- People Mover
<b>Funds from Operations (DPL)</b>		<b>-</b>		<b>7.86</b>		<b>(7.86)</b>	Funding from Detroit Public Library Operations
HOME		3.23				3.23	Housing & Revitalization Dept (HRD)
HOME, AHD&PF		8.53				8.53	Housing & Revitalization Dept (HRD)
HOME, AHD&PF, CDBG-CV		5.70				5.70	Housing & Revitalization Dept (HRD)
HOME, ARPA		0.68				0.68	Housing & Revitalization Dept (HRD)
HOME, CDBG		-				-	Housing & Revitalization Dept (HRD)
HOME, CDBG, AHD&PF		-				-	Housing & Revitalization Dept (HRD)
HOME, CDBG, ARPA		9.50				9.50	Housing & Revitalization Dept (HRD)
HOME, CDBG, CDBG-CV		-				-	Housing & Revitalization Dept (HRD)
HOME, CDBG-CV		-				-	Housing & Revitalization Dept (HRD)
HOME-ARP		19.00				19.00	Housing & Revitalization Dept (HRD)
<b>I&amp;E</b>		<b>274.50</b>		<b>185.96</b>		<b>88.54</b>	Detroit Water & Sewage (DWSD)
<b>I&amp;E, Bonds</b>		<b>-</b>		<b>49.15</b>		<b>(49.15)</b>	Detroit Water & Sewage (DWSD)
Metro Fund		15.00				15.00	Detroit Public Works (DPW)
O&M		25.69				25.69	Detroit Water & Sewage (DWSD) O&M
<b>PAYGO</b>		<b>378.35</b>		<b>11.68</b>		<b>366.67</b>	Multiple agencies
PAYGO, Bonds		70.00				70.00	Multiple agencies
PAYGO, State & Federal Grants		108.79				108.79	Multiple agencies
<b>Philanthropy</b>		<b>-</b>		<b>62.54</b>		<b>(62.54)</b>	General Services Dept (GSD)- Parks
Philanthropy, Bonds, Street Fund, State & Federal Grants		51.00				51.00	Planning & Development (PDD)
Philanthropy, Federal Grants, Bonds		35.20				35.20	Planning & Development (PDD)
Philanthropy, State & Federal Grants, Bonds, PAYGO		195.00				195.00	General Services Dept (GSD)- Parks- JLA Greenway
PLA Operations		24.45				24.45	Public Lighting Authority
Police Towing Fund		1.10				1.10	General Services Dept (GSD)- Fleet program
<b>SRF/Bonds</b>		<b>-</b>		<b>26.10</b>		<b>(26.10)</b>	Detroit Water & Sewage (DWSD)
<b>Solid Waste Fund</b>		<b>12.67</b>		<b>18.20</b>		<b>(5.53)</b>	Multiple agencies (GSD- Feet = \$11.9M in Proposed Plan)
<b>State &amp; Federal Grants</b>		<b>311.32</b>		<b>581.86</b>		<b>(270.54)</b>	Multiple agencies (DDOT = \$309M in Proposed plan)
State & Federal Grants, ARPA		53.60				53.60	Detroit Water & Sewage (DWSD)
State & Federal Grants, Bonds, CDBG		12.00				12.00	Planning & Development (PDD)
State & Federal Grants, I&E		96.28				96.28	Detroit Water & Sewage (DWSD)
State & Federal Grants, PAYGO		57.10				57.10	Multiple agencies
State & Federal Grants, Street Fund		147.23				147.23	Detroit Public Works (DPW)
State & Federal Grants, Street Fund, PAYGO		7.85				7.85	Detroit Public Works (DPW)
State & Federal Grants, Street Fund, Philanthropy		13.27				13.27	Detroit Public Works (DPW)
<b>Street Fund</b>		<b>30.50</b>		<b>18.10</b>		<b>12.40</b>	Multiple agencies (GSD- Feet = \$21.5M in Proposed Plan)
Street Fund, State & Federal Grants, Private		108.02				108.02	Detroit Public Works (DPW)
Funding Source Not Identified		130.98				130.98	C.Wright Mueum, Eastern Market, Historical, Zoo
<b>Grand Total</b>	<b>\$</b>	<b>2,453.89</b>	<b>\$</b>	<b>1,430.72</b>	<b>\$</b>	<b>1,023.18</b>	
<b>ADD FY 2020-2021 Budget</b>				<b>\$</b>		<b>423.90</b>	
<b>Previous FY 2021- FY 2026 Capital Agenda Total</b>				<b>\$</b>		<b>1,854.61</b>	

## Debt Financing

The city adheres to an established debt management policy that specifies the conditions in which debt can be issued. In essence, long-term debt cannot be used to finance current operations. This proposed capital agenda includes information on the city's multiple debt sources used for capital and operating purposes.

Repayment schedules are included for: the Unlimited Tax General Obligation Bonds<sup>4</sup> (UTGO)- primarily used for capital purposes; the Limited Tax General Obligation Bonds<sup>5</sup> (LTGO) primarily used for General Fund (Plan of Adjustment); Michigan Transportation Fund (MTF) bonds used for street improvements; and the Housing and Urban Development (HUD) Notes used for development. Detroit Water & Sewerage and the Public Lighting Authority debt service are reported separately; the repayment schedules are not included in this proposed capital agenda.

Focusing on the UTGO debt, the repayment schedule is declining from \$70 million in principal and interest repaid in FY 2022 to \$41.3 million projected payment in FY 2028. The LTGO debt service payment also decreases during this period with total payments of \$88.4 million for FY 2022 leveling off to \$79 million by FY 2025 (a small uptick in FY 2023). LTGO scheduled payments remain flat through the next 12 years (FY 2025- FY 2036).

Voter authorization remains to sell up to \$40 million in UTGO bonds and \$75 million in Neighborhood Improvement bonds for various capital purposes, which may impact the debt repayment schedule when sold. UTGO bonds are repaid through a dedicated debt service millage on property taxes. A future UTGO bond sale may have a negligible impact on the current debt service millage based on the most recent repayment schedule.

### **Concluding Remarks and Questions for the Administration**

Section 8-202 of the Detroit City Charter mandate the following information to be included in the Capital Agenda document. *The Capital Agenda shall state: All physical improvements and related studies and surveys, all property of a permanent nature, and all equipment for any improvement when first erected or acquired, to be financed during the next five (5) fiscal years in whole or in part from **funds subject to control or appropriation by the city**, along with information as to the necessity for these facilities...*(emphasis added).

The Proposed Capital Agenda as submitted currently does not comply with the City Charter requirements of Section 8-202 with the omission of the capital program for the Detroit Public Library (DPL). DPL is categorized as a Discretely Presented Component Unit in the city's Annual Comprehensive Financial Report (ACFR). As described on page 42 of the FY 2021 ACFR Significant Accounting Policies- Note 1 section: **"The City Council is responsible for approving the DPL's annual budget"**. **"Due to the DPL's relationship with the City, it would be misleading to exclude its financial information from the financial statements"**. As such, we believe the Detroit Public Library capital program should be included in this Proposed Capital Agenda.

Other omissions present in this Proposed Capital Agenda that LPD would like for the Administration to address are as follows:

1. Capital projects for the Demolition Department was omitted in this Capital Agenda. Assuming that no new funding is required for the Demolition Department capital program outside of the \$250 million UTGO – Neighborhood Improvement Bonds, it is still important to include the activities that have occurred prior to this Proposed Capital Agenda and any significant changes to the program. The Demolition Department vehicle replacement program is included in the GSD- Fleet capital plan.

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<sup>4</sup> Unlimited tax general obligation (UTGO) bonds are voter-authorized bonds paid off from property tax revenue based on the City of Detroit's property tax debt millage.

<sup>5</sup> In contrast to UTGO bonds, limited tax general obligation (LTGO) bonds are non-voter bonds and paid for out of the City's general fund and are not paid for out of property tax revenue based on the property tax debt millage.

2. Funding Sources were omitted for the following agencies:
  - a. Charles H. Wright Museum (page 35); Total proposed project costs \$11.73 million.
  - b. Eastern Market (page 44); Total proposed project costs \$62.10 million.
  - c. Historical Society (page 54); Total proposed project costs \$1.94 million.
  - d. Detroit Zoo (page 61); Total proposed project costs \$55 million.
  - e. Detroit /Wayne Port Authority (page 149); Total proposed project costs \$200,000.
  - f. In addition, the Detroit Riverfront Conservancy- West Riverfront project lacks project costs and project period; however, funding sources were identified (page 153).
3. Capital project funding sources were not adequately identified. The common use of the term “Pay-as-you-go” means funding from (General Fund) operations. To expand on this definition, the annual budget identifies revenues and appropriations as one-time (utilizing General Fund surplus and or fund balance) or recurring (utilizing funds generated from on-going sources). The use of vague or generic terminology reduces transparency in the capital program and hinders the reader’s ability to determine the viability/quality of the funding source and its ability to achieve expected results. Where possible, the Administration should specifically name the funding source applicable for each individual capital project. Multiple unrelated funding sources should not be combined. Each distinct funding source should be identified and quantified for each project. It would be useful to include a glossary of terms which describes each of the anticipated funding sources given the numerous uses of acronyms/abbreviations in this document.
4. Capital project priorities are not clearly defined. The agency presentation is formatted in a manner that the reader cannot readily discern the priorities of the agency. The agency narrative discussion and the related spreadsheet should uniformly present projects in priority order according to level of importance.

We would ask that the Administration provide to Council written responses to the following questions –

1. Please explain why the 2024-2026 proposed Capital Agenda’s total of \$2.45 billion does not include the current fiscal year 2023 budget of \$710.7 million in its total. At the least the last three capital agendas included the current fiscal year in the total. Will the total as presented in the proposed Capital Agenda set the pattern for the total that is presented in future proposed capital agendas?
2. Please submit an updated capital improvement plan for the Demolition Department and the Detroit Public Library for inclusion in this Capital Agenda. Also, please include an update on the capital projects completed prior to this Capital Agenda but included in the previous agenda (e.g., 36 District Court).
3. For all projects included in the proposed 5-year plan, please identify a funding source and the estimated cost and year expected (list separately).
4. It is not clear if projects are shown in priority order, as the projects are listed in a different order from the narrative description to the corresponding spreadsheet. Please review and list projects in priority order.
5. What are the Administration plans regarding future Unlimited Tax General Obligation Obligations (UTGO) Bonds sales? The remaining voter authorization for UTGO bonds is \$40 million for various capital improvements and \$75 million for Neighborhood improvements. Is this sufficient to fund future capital projects across all city agencies?
6. UTGO scheduled principal and interest payments are projected to decrease and Limited Tax General Obligation Bonds (LTGO) remain flat for much of this Capital Agenda period. Please describe the implications to the city’s ability to handle more debt service for capital projects and how future sales factor into this discussion?
7. Do any projects remain outstanding from the Exit Financing funds or have they been closed out?

8. Many projects have multiple funding sources combined. Please breakdown the various sources (e.g., federal/state grants, bonds, private funds/philanthropy) by department and project. Overall, these funding sources are projected to more than double what was forecasted in the previous Capital Agenda, please discuss the new in-flow of funding opportunities.
9. Please explain the Pay-as-you-go (PAYGO) funding source. Please describe each project and how it was determined that sufficient general fund appropriations/surpluses or other operating funds will be available during this Capital Agenda period. If PAYGO is use for cash match purposes, please indicate in the description.
10. Please explain the criteria used to determine the use of Solid Waste funds for a capital project.
11. Please identify the projects to be funded from the Street Fund (Gas and Weight Taxes). Has this amount increased or decreased from the previous Capital Agenda? If decreased, why since it was announced in 2021 that there would be more infrastructure funding available from the federal government?
12. Please explain the difference between the Philanthropy and Private Investment funding source. How much was received in these two categories since the previous Capital Agenda?
13. For capital projects identified as utilizing bond funds, please specify the bond source (prior year's UTGO/LTGO bonds, new UTGO/LTGO bonds, Neighborhood Improvement bonds, etc.).
14. Please provide an update on the city's compliance with the American with Disabilities Act. If we are not in compliance, please provide a condensed outline of those areas requiring capital work and a projection of costs to bring us into compliance.
15. DWSD capital plan as submitted is for 4 years, is there is a reason why? Also, the current submission is missing an Accomplishment section, please provide a brief description of the projects completed within the last five years and information on the projects in progress. For the proposed projects' spreadsheet, please fill in the project totals. Please explain how the DWSD capital plan relate to the capital plans for the Great Lakes Water Authority?
16. Why is the Detroit Riverfront Conservancy included in this Capital Agenda? Has the Conservancy requested funding from the city for capital or operating purposes? What federal grants does the Conservancy expect for the West Riverfront project?

The following additional questions are by Department:

17. **PDD:** The Neighborhood framework Plans Phase 1, 2 and 3 are shown as both completed and proposed. Please elaborate on status.
18. **PDD:** What is the cost per study? For the JLA Project, how is the state's \$60 million FY 2022 supplemental appropriation shown in this Capital Agenda?
19. **CH Wright Museum:** Under recent improvements, please describe the \$8.8 million use to fund mechanical system improvements. Is the PAYGO defined as funding from museum operations/debt or the City's General Fund operations/surplus? What was the city's contribution to the roof capital project; what was the total project cost? For projects completed with bond funding, please specify what bond source was utilized.
20. **Eastern Market:** What is the status of the Eastern Market Management Agreement that was extended for one year in June 2022?
21. **Eastern Market:** In progress projects: Is the Riopelle project a city street fund project or a direct appropriation from the state? What was the total project cost? Please describe the \$5 million funding sources for the Metro Food project, be specific. What are the funding sources for the

- restroom project, be specific? The Eastern Market Partnership collaborates with various partners on capital projects. If this information is available, please include in this capital plan.
22. **GSD- Parks:** When was the last energy audit completed? Are there federal or state funding available for energy efficient upgrades? What capital obligations are third party operators responsible for under the various management agreements: Aretha Franklin Amphitheatre, golf courses, cemeteries, marinas, etc.? Please explain the Riverfront Asset Study. How does this study relate to the activities of the Detroit Riverfront Conservancy and other activity on the Detroit riverfront. Please elaborate on the capital improvements to be undertaken in Hart Plaza. Please describe the funding sources, be specific.
  23. **Historical:** Under the Accomplishment section, what are the project dates of completion? Please provide details on the \$25 million DGLM Expansion project, and when is it expected to be completed.
  24. **Fire:** For in progress projects, please add the expected completion dates and the specific funding sources utilized. Under the list of emergency response vehicles, please provide the useful life of vehicles.
  25. **Health:** Please describe the capital work to be completed in FY 2023 for \$3.4 million and in FY 2024 for \$6.6 million. What are the plans for the current facility? What is the total project cost for the new Animal Care & Control Facility? How many Animal Care trucks do the Health Department operate? What is the age and the replacement cycle for these vehicles? Does the Health Department have a regular on-going capital improvement program?
  26. **Health:** How many mobile health clinics does the city have in service? Where are these vehicles housed? What services are provided at the East 7 Mile location? How many community health clinics does the Health Department operate? Does the Health Department operate any other service vehicles beside the mobile Health units and the Animal Control & Care trucks? Where is the funding for vehicle replacements located (Health or GSD-Fleet)?
  27. **Police:** What ARPA category is being utilized for the aviation project? For in progress projects- please list DPD facility improvements included in this Capital Agenda and the amount spent on each project. Please provide a status update of the Grand River Towing Lot. How many windows are included for replacement for the Police Training Academy? Briefly describe the renovations for the 7<sup>th</sup> and 9<sup>th</sup> Precincts. What is the useful life for the various DPD purchases (generators, vests, video, etc.)? What purchases or renovations are included in the Security projects (fencing, barriers, etc.)? Under Accomplishments- Please furnish the completion dates for the proposed and in progress projects.
  28. **Airport:** Are the projects shown in this Capital Agenda included in the Airport Layout Plan? What are the funding requirements for the Runway 7-25 Decommissioning and Removal project, Air Traffic Tower, and the Removal of the Airport Executive Terminal building? Please name the state and federal grants identified for use on these projects. Who contributed \$1 million to the Civil Air Patrol project? Does the Land Acquisition project shown in this Capital Agenda complete the long-standing French Road Mini-take project?
  29. **DDOT:** Please explain the discretionary grant funding received in 2019 to replace the fare collection system. Please provide the status of the DDOT Reimaged plan; when will it be completed.
  30. **DPW:** What is the status of the citywide Transportation Master Plan- Streets for People? How does the city's capital plan align with the state long range transportation plan? Briefly describe the ADS and ATCMTD Grant projects.

31. **DTC:** Please describe the FTA discretionary and FTA Formula grants. What state grant is available to fund the Onboard cameras project; how much operating funds are required for this project?
32. **MPD:** What is the useful life of the parking meters kiosks? Is there a replacement schedule for this equipment? Currently, the city owns two parking garages, what are the city's future plans to operate city garages? Is the Caniff Tow lot a MPD property? What are the EV Parking Zones, is there a cost to use an EV charger? Does MPD have an on-going capital improvement program?
33. **DOIT:** Please identify the state and federal grants available to upgrade or mitigate the 911 Computer Aided System. Does this project involve the purchase of both hardware and software? What is the useful life of generators and how many does the city own?
34. **Elections:** Are there any federal and state grants available for these projects?
35. **GSD- Facilities:** Are projects listed in priority order (Narrative indicate that facilities supporting public safety and health are prioritized but the first project listed is the MPD Administration facility)? Please describe the improvements included in the Airport Facilities project. What is the 5-year Facilities Priorities; please provide a copy of this report to City Council. Please elaborate on the improvements included in the Consolidation of City Yards \$80.3 million project. Does the Rouge Yard Skills for Life project include land acquisition?
36. **GSD- Fleet:** What are the Blight Remediation vehicles and the Demolition Department vehicles. Are the Health Department vehicles included in the Emergency Response vehicle purchases? What fleet equipment is being stored at the Rouge Yard for the Skills for Life Program? What is the current ISO ranking for fire apparatus? What are the criteria to obtain a higher ISO certification? Which departments are included in the vehicle replacement schedule? Please provide a schedule of the planned vehicle purchases by type for the five-year period.
37. **PLA:** What is the planned, scaled Capital Reinvest Program, please describe. How are the PLA's annual operation and maintenance costs covered? If a new development requests street lighting, is PLA involved in its construction, oversight and/or maintenance? Is the development responsible for all costs or is there a formula? How many poles are scheduled to be replaced during this Capital Agenda period? What federal/state grants are anticipated for the Sporadic Collector project? What grant was sought for the Phase I resiliency improvements?
38. **PLD:** Is there a date determined to decommission all 31 substations? Please provide a status update on the Decommissioning Fund; please provide specifics. purpose of fund, dollar amount on hand, relevant dates, etc.
39. **DEGC:** When will the Riverfront Parking & Mobility Study be available? Can the NDC be utilized for other neighborhood projects? Does the DEGC provide financial support to the Detroit Riverfront Conservancy? What is the total cost to demolish the former Packard Plant, what is the expected completion date? What are the expected costs and completion dates for the DEGC In Progress projects?

Thank you for your responses to our questions!

Attachment – 2024-2028 Proposed Capital Agenda

cc: Auditor General's Office  
Jay Rising, Chief Financial Officer  
John Naglick, Chief Deputy CFO-Finance Director  
Tanya Stoudemire, Chief Deputy CFO-Policy & Administration

Steven Watson, Budget Director  
Janani Yates, Deputy Budget Director  
Donnie Johnson, Associate Budget Director  
Gail Fulton, Mayor's Office