



City of Southgate

Capital Improvement Plan

2026 - 2032

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Adopted by Planning Commission

Date _____

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Introduction

Every municipality has a portfolio of capital assets that it owns, maintains, and employs to help deliver quality services to its residents. These assets include equipment and vehicles, such as fire engines and snowplows, and more permanent assets such as roads, bridges, buildings, underground utilities, storm water systems, parklands, parking facilities, and natural areas. With ownership comes an obligation to maintain and improve these assets to stay current with changing demands and needs. The process used to determine how to invest City resources to maintain and improve the City's capital assets is known as the Capital Improvement Plan (CIP).

For the City of Southgate, this CIP includes expenditures for planning, facilities, infrastructure, vehicles, and equipment as managed by the following departments.

- Administration (Including offices of administrator, information technology, finance, and building inspection)
- Fire Department
- Police Department/28th District Court
- Department of Public Services/Engineering
- Parks and Recreation Department
- Southgate Veterans Memorial Library

The organization of the CIP is separated into two parts. The Introduction describes the purpose, content, definitions, relationships between other city documents, processes, and revenue sources.

The second part is the Capital Improvements Plan which provides projected expenses for plans, facilities, infrastructure, vehicles, and equipment for the next six (6) years. The projections are further categorized by department, year, specific expense, and likely funding source.

WHAT IS A CAPITAL IMPROVEMENT PLAN?

A Capital Improvement Plan (CIP) is a multi-year planning instrument used to identify needs and funding sources for municipal capital project expenditures. Projects are generally described as significant, physical improvements or purchases that have a long, useful life. These projects include municipal facilities; information technology systems; transportation systems; water, sewer, and stormwater utilities; street lighting; vehicles and large equipment; and other large capital purchases or improvements. Upon adoption by the Planning Commission, the CIP becomes a statement of city policy regarding the timing, location, character, and funding of future capital projects. In Michigan, the formation of a capital improvements program is driven by the Michigan Planning Enabling Act, Public Act 33 of 2008, MCL 125.3865.

WHAT IS THE PURPOSE?

The quality of the infrastructure and community facilities in the City directly influences the quality of life. As community infrastructure and facilities age, continual improvements and updates are required to stay current with changing demands and needs. In the midst of shrinking resources and deferred maintenance costs, a CIP is more important than ever. The 2026-2032 Plan will reflect a six-year anticipated scheduling and costs for infrastructure, facilities, and equipment based on input from the City's departments. The purpose of the CIP is to achieve the following outcomes:

- Ensure the timely repair and replacement of aging infrastructure, facilities, and equipment.
- Provide a level of certainty for residents, businesses, and developers regarding the location and timing of public investments.
- Identify the most economical means of financing capital improvements.
- Provide an opportunity for public input in the budget and financing process.
- Facilitate coordination upgrades to capital infrastructure systems.
- Enhance the community's credit rating, control of its tax rate, and avoid sudden changes in its debt service requirements.
- Ensure that patterns of growth and development are consistent with the master plan.
- Balance public improvements and expenditures with the community's financial resources.

WHAT IS THE INTENT?

A CIP coordinates infrastructure improvements and provides for the acquisition or scheduled replacement of vehicles and equipment for efficient delivery of services. It plays an important role by providing the link between planning and budgeting for capital expenditures to ensure that capital improvements are fiscally sound and consistent with the City's long-range goals and objectives. The CIP process occurs prior to the budget process and should be used to develop the capital portion of the municipal budget.

TIMELINE

The City of Southgate's CIP outlines a schedule of capital expenditures over a six-year period and is best updated annually by City departments based on current project completion, prioritization, and available funding. By updating the document annually, the projects contained in the first year of the CIP may be used to inform next year's department requested municipal budget.

RELATIONSHIP BETWEEN CIP AND BUDGET

The CIP makes capital spending more predictable and transparent. The CIP does not address all of the capital expenditures for the City, but provides for large, physical improvements and purchases that have a longer useful life, including the basic facilities, services, and installations needed for the functioning of the community. Administration set the base criterion for an improvement at a minimum \$5,000 expense and five-year lifespan. The first year of the CIP represents the proposed capital budget for the current fiscal year. The remaining years of the CIP serve as a financial plan for capital investments.

RELATIONSHIP BETWEEN CIP AND MASTER PLAN

The CIP is a powerful tool for implementing a community's master plan. Capital projects involving roads, water and sanitary systems, stormwater utilities, and purchases of parkland can have a substantial impact on patterns of growth and public investment. By providing funding for strategic capital upgrades at a given time and location, the CIP helps ensure that the level of service is maintained and development occurs consistently with the community's plans and vision.

The Master Plan, as a whole, serves as a policy manual for the city. In turn, the CIP is used as a framework for the community to implement the Master Plan. According to the Michigan Planning Enabling Act (Public Act 33 of 20-08), "to further the desirable future development of the local unit of government under the master plan, a planning commission, after adoption of a master plan, shall annually prepare a capital improvements program of public structures and improvements, unless the planning commission is exempted from this requirement by charter or otherwise."

The following goals and objectives from the 2026 City of Southgate Master Plan pertain to capital improvement programming:

Goal 1: Identify, conserve, and maintain those undeveloped areas in the City which provide residents with the chance to enjoy recreational opportunities and open spaces.

Relevant Objectives

- *Further the continued development of recreational facilities which provide community residents with a variety of physical activities.*
- *Maintain current local and neighborhood parks and investigate the need for new facilities in undersupplied areas.*

Goal 2: Promote and encourage city-wide connectivity through non-motorized transportation alternatives.

Relevant Objectives

- *Enhance existing, and development of new, nonmotorized trails, such as bike and pedestrian paths, throughout the City.*
- *Maintain continuous sidewalks linking community facilities (both public and private), to residential and commercial areas.*
- *Promote sound access management principles for major roadways, including limitations to multiple curb cuts and drive-through traffic, thereby stabilizing the pedestrian realm.*

Goal 4: Maintain the existing commercial base and encourage commercial development that satisfies local market needs and provides a positive contribution to the local tax base.

Relevant Objective

- *Promote the image of Southgate's commercial areas as an attractive business location through a series of strategically placed enhancements including streetscapes and other infrastructure improvements, landscaping, and superior signage.*

Goal 6: Provide for the efficient and logical maintenance of existing, or extension of new, public services and facilities.

Relevant Objectives

- Facilitate development and coordination of access-oriented transportation plans for both motorized and non-motorized transportation amenities.
- Preserve existing City facilities and services which include neighborhood parks, the Civic Center, Senior Center, Golf Course, the Nature Center and other recreational amenities. Encourage the development of new services or the expansion of existing services or facilities where available and appropriate.
- Plan for the continued maintenance of the City's infrastructure systems through capital improvement programming.

Goal 8: Facilitate revitalization efforts to position Southgate as a local and regional hub for culture and entertainment.

Relevant Objective

- Facilitate the development of new community facilities aimed to engage pre-existing talent, as well as draw from the larger creative class.

Goal 10: Protect water and environmental resources.

Relevant Objectives

- Support the goals of the Ecorse Creek and Downriver Watershed Management Plans.
- Consider the installation and maintenance of riparian buffers along the open water courses of the Grams and Frank and Poet Drains.
- Determine feasibility of including the Frank and Poet Drain into the existing City of Southgate Nature Center.

Goal 11 – Promote the development of Southgate's major corridors with a variety of uses that are complimentary and compatible with nearby residential neighborhoods.

Relevant Objectives

- Explore road diet and street activation techniques.
- Coordinate cooperation opportunities with the City DDA and TIFA to create transition zones that enhance a walkable environment where appropriate coupled with traffic calming techniques.

Goal 12: Actively seek to implement the goals and objectives of the 2025-29 Parks and Recreation Master Plan.

Relevant Objective

- Coordinate park and open space development with the Parks and Recreation Commission and Parks and Recreation Department.

DEFINITION OF CAPITAL

The adoption of a common definition assists in determining which projects are part of the capital improvement program versus those that are part of the general budget. Only the projects that meet the capital project or improvement definition are included in the capital improvement program. A capital improvement project can include one or more of the following:

- **Project or Plan:** is the upfront design, data collecting, cost estimating, scheduling, or similar action to properly prepare for funding a capital improvement. Examples are architectural and engineering plans, streetscape design, infrastructure or sidewalk repair program, mobility improvements, and a fleet replacement plan. A plan includes documents and studies as well as preliminary design and construction drawings.
- **Facility Improvements:** is the repair, replacement, or upgrades of exterior and interior walls, roofs, furnishings, and similar non-mechanical features that extend a building's life. Examples include new roofs, windows and doors, tuck pointing and masonry repair, interior and exterior painting, carpeting and furniture, and heating, ventilation, and air conditioning (HVAC) systems.
- **Infrastructure:** includes below grade, at grade and above grade (non-building) improvements. Examples include new water and sewer lines, park improvements, storm water, streets and sidewalks, bike lanes, landscape, and fences.
- **Vehicles:** encompasses cars, trucks, buses, and grounds maintenance equipment. For the purpose of the capital improvements plan, vehicles are attached to their respective departments.
- **Equipment:** includes specialized equipment and/or heavy apparatus used by the fire department and department of public services. Examples are system components, lifesaving equipment, vehicle hoists, and similar specialized mechanisms that last for several years. Equipment can also include all equipment critical to the functioning of the city such as computers, telephones, cameras, and voting machines.

RECORDING A CAPITAL IMPROVEMENT

For the 2026 -2032 CIP, capital projects and improvements that are defined as major assets and projects include:

- Replacements and improvements greater than or equal to \$5,000
- "Plans or programs" for projects whose total is greater than or equal to \$5,000; and
- Equipment purchases greater than or equal to \$5,000, with a service life of at least 5 years

Capital Improvement Planning Process

CIP ANNUAL UPDATE AND APPROVAL

The Capital Improvement Plan (CIP) is a six-year plan that should be reviewed and updated annually so that it always looks six years out. The enacting of an administrative committee is one method to annually updating the CIP. A committee may consist of the City Manager, Finance Director, Mayor, department directors, and representatives from the Planning Commission and City Council, but can take many forms. This committee and a process may be infused into a Council policy that provides for an annual requirement.

CAPITAL INVESTMENT POLICIES

An essential component of the Capital Improvement Program is to establish a policy framework for capital project selection. The policy framework establishes prioritization of projects to most efficiently determine whether or not to allocate X amount of dollars to activity A as opposed to activity B. In order to establish a policy framework to properly evaluate capital project and prioritization, a set of long-range investment policies was established. These policies provide the framework for making capital project decisions in order to ensure the City's financial viability; improve on and maintain service standards; provide responsive community development; and meet other strategic goals.

The Capital Investment Policy is based on priorities identified in community strategic plans and master planning documents. The capital improvement plan prioritizes projects based on the following investment policy statements. CIP projects should:

1. Maintain or improve standards of service
2. Protect public health, safety, or welfare
3. Result in economic development (capital investment, increased tax base, or increased valuation)
4. Reduce energy consumption and/or improve environmental sustainability
5. Have an identified source of funding
6. Be ready to proceed
7. Be coordinated with other capital improvements

PROJECT EVALUATION AND PRIORITIZATION

Once the improvements list has been generated, each department estimates a cost and funding source for each requested project and prioritizes the list according to the project's feasibility and available funding. The City administration team will meet with each department and provide assistance as needed. This final list then becomes part of the city-wide CIP which then follows the adoption process of City Council.

The City Council evaluates each project and assigns a project priority. Council then determines which projects receive highest priority and allocates funding for the chosen projects in the next fiscal year budget. Southgate classifies projects based on the following investment policies.

- Maintain or improve standards of service.
- Protect public health, safety, or welfare.
- Result in economic development (capital investment, increased tax base, or increased valuation)

- Reduce energy consumption and/or improve environmental sustainability.
- Have an identified source of funding.
- Be coordinated with other capital improvements.

RESIDENT REQUESTS

Residents have the ability to request specific public improvement projects during outreach events and the public hearing process.

Funding Sources

Several funding sources may be available for projects and equipment. Each department is asked to identify a funding source for the project if known.

SPECIAL ASSESSMENTS

When a public street, sewer, water main, or sidewalk is installed where one does not currently exist, the majority of the cost for constructing these improvements is paid for by the property owners fronting the improvement. The property owner's share of the costs is referred to as a special assessment. Southgate has a special assessment for the Southgate/Wyandotte Regional Drain District.

MILLAGES

Millages are an important funding source for essential public services. It is a rate at which property taxes are levied on property. Millage is the rate of property tax applied to real estate. Local governments generally dedicate the collection to fund public services like police and fire expenses, public libraries, and roads. Millages in Southgate are used for local street improvements, Veterans Memorial Library, and recreation services.

STATE OF MICHIGAN ACT 51 STREET FUNDING

The City receives funds from the State of Michigan (in accordance with Act 51, Public Acts 1951, as amended), which distributes gas and weight tax revenues to all cities, villages and counties within the State of Michigan based on the mileage of the Major and Local Street systems of each City, village or county. These funds are utilized to reconstruct, resurface, repair, and maintain the community's street system, including snow plowing.

ENTERPRISE FUNDS

Enterprise Funds account for specific services that are funded directly by fees, charges to users, self-generated revenue, and bonding. These funds are intended to be fully self-supporting and are not typically subsidized by any general fund revenue or taxes. Within each Enterprise Fund, budgets are developed which are sufficient to fund current year's operations and maintenance expenses, as well as provide for current and future years' upgrade, replacement, and expansion-related capital construction requirements. Southgate maintains enterprise funds for improvements for water and sewer facilities and the South Winds Golf Course.

GRANTS AND DONATIONS

Some projects are entirely or partially funded by grants and reimbursements from the state and federal government and other agencies, or by donations from local charitable organizations. The receipts of certain grants and reimbursements typically follow the award of contracts. Donations are more typically offered and received in advance of project initiation.

TAX INCREMENT FINANCING

Tax Increment Financing (TIF) is a public financing method that subsidizes redevelopment and infrastructure projects by capturing future increases in property tax revenue within a designated district. By freezing the tax base, TIF diverts new tax revenue ("increment") to pay for project costs, such as public improvements. Southgate has two authorities operating in different areas of the city – Downtown Development Authority and Tax Increment Finance Authority.

Capital Improvement Plan

2026-2032

Summary of Capital Projects

This summary provides an overview of annual expenses by department. As shown, capital expenses are greatest during the first two years at \$9.9 million in 2026/27 and \$13.9 million in 2027/28. The annual expenses become less and steadier in the final four years from \$5.6 million to \$8.2 million. As expected, the DPS/engineer has the greatest financial need with responsibility of utilities and pavement as well as many specialty vehicles. The fire department also has high value expenses linked to large vehicles in 2027/28, 2028/29, and 2029/30. The recreation department has large construction projects for Miracle Field and an ice rink addition in the first two years.

Table 1. Summary of Capital Improvement Projects – By Department

CIP Projects	Budget Year						TOTAL
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
City Administration	\$597,400	\$500,000	-	-	-	-	\$1,097,400
Dept. of Public Services/Engineer	\$6,365,992	\$8,030,995	\$6,191,833	\$6,859,566	\$7,891,997	\$5,367,520	\$40,707,903
Fire Department	\$140,000	\$1,990,000	\$780,000	\$1,050,000	\$20,000	-	\$3,980,000
Police Dept./28 th District Court	\$300,000	\$247,500	\$152,000	\$146,000	\$206,000	\$208,000	\$1,259,500
Veterans Memorial Library	\$16,000	-	-	-	\$25,000	-	\$41,000
Parks and Recreation	\$2,463,075	\$3,125,000	\$399,000	\$125,000	-	-	\$6,112,075
TOTAL	\$9,882,467	\$13,893,495	\$7,522,833	\$8,180,566	\$8,142,997	\$5,575,520	\$53,197,878

The following pages itemize improvements by department, improvement type, and year. The appendices have greater detail with each improvement listed with expense, year, and potential funding source.

City Administration

City Administration comprises of many departments and functions and is located in city hall. Offices of the clerk, finance, treasurer, assessor, and building official are part of the overall administration team. City Hall is located at 14400 Dix-Toledo Road.

Table 2. Summary of Capital Improvement Projects

Project Type	Budget Year						TOTAL
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Project/Plan	\$80,000	-	-	-	-	-	\$80,000
Facility	\$200,000	\$500,000	-	-	-	-	\$700,000
Infrastructure (No Improvements Projected)	-	-	-	-	-	-	-
Vehicle (No Improvements Projected)	-	-	-	-	-	-	-
Equipment	\$317,400	-	-	-	-	-	\$317,400
TOTAL	\$597,400	\$500,000	-	-	-	-	\$1,097,400

SUMMARY: Expenditures for the City Administration spaces are shown for the years 2026/27 to 2028/29 for DDA art and city hall improvements. No expenses are projected for the budget years 2028/29 to 2031/32. No expenses for infrastructure, vehicles, and equipment are projected for six years.

The following improvements are descriptions of the more significant expenses. Appendix A is a worksheet that lists each improvement with the year, expense, and funding source.

DDA PUBLIC ART. The DDA will install public art in its district. The improvement is scheduled for the 2026/27 budget year for \$80,000. Funding is through a combination of the Downtown Development Authority, donations, and the general fund.

CITY HALL UPGRADES. The city hall façade is being improved during the first two years for \$700,000 plus an electrical HUB upgrade for \$317,000 in year one.

Fire Department

The Southgate Fire Department maintains one fire station, two fire engines, one ladder truck and two rescue vehicles. The Fire Department consists of 26 fire suppression positions and two administrative positions. The primary responsibility of the Fire Department is to respond to and mitigate emergencies by limiting the effects of fire, natural disaster, medical and hazardous material incidents. This is accomplished through the use of emergency preparedness plans, fire prevention and code enforcement, public education, hazardous materials response teams, and other specialized programs. The Fire Department is located at 14730 Reaume Parkway.

Table 3. Summary of Capital Improvement Projects

Budget Year							
Project Type	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	TOTAL
Project/Plan	-	-	-	-	-	-	-
Facility	\$50,000	-	\$590,000	-	-	-	\$640,000
Infrastructure	-	-	-	-	-	-	-
Vehicle	-	\$1,800,000	\$150,000	\$800,000	-	-	\$2,750,000
Equipment	\$90,000	\$190,000	\$40,000	-	\$20,000	-	\$340,000
Interior	-	-	-	-	-	-	-
TOTAL	\$140,000	\$1,990,000	\$780,000	\$800,000	\$20,000	-	\$3,730,000

SUMMARY: Expenditures are greater in the middle years and due to projected need for large fire fighting vehicles from 2028/28 to 2029/30 as well as replacement of the station roof and renovation of the locker room in 2028/29. Less significant annual expenses for equipment replacement annually happen throughout. No expenses for plans, projects, and infrastructure is projected.

The following improvements are descriptions of the more significant expenses. Appendix B is a worksheet that lists each improvement with the year, expense, and funding source.

STATION UPGRADES. The station needs a new roof in 2028/29 as projected by city administration with an estimate of \$340,000. The department has also projected a renovation of the locker room for the same fiscal year with an estimate of \$250,000.

VEHICLES AND EQUIPMENT. The department projects a need for a ladder truck, engine truck, and rescue in successive years starting in 2027/28 with a total cost of \$2,750,000. Equipment consists of important lifesaving devices and radios.

Police Department and 28th District Court

The Southgate Police Department works with the community to protect public safety and create an environment that is free of crime, while respecting the rights and dignity of all people. Goals are to provide a safe community for people to live and do business in; delivery of effective and efficient law enforcement services; and development of community partnerships and cooperation. The Police Department is located at 14710 Reaume Parkway. The 28th District Court is located at 14720 Reaume Parkway.

Table 4. Summary of Capital Improvement Projects

Project Type	Budget Year						TOTAL
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Project/Plan	-	-	-	-	-	-	-
Facility	-	\$27,500	\$10,000	-	-	-	\$37,500
Infrastructure	\$250,000	-	-	-	-	-	\$250,000
Vehicle	\$50,000	\$90,000	\$90,000	\$92,000	\$92,000	\$94,000	\$508,000
Equipment	-	\$130,000	\$52,000	\$54,000	\$114,000	\$114,000	\$464,000
TOTAL	\$300,000	\$247,500	\$152,000	\$146,000	\$206,000	\$208,000	\$1,259,500

SUMMARY: Expenditures for the Police Department and 28th District Court are fairly steady in project costs over the six-year lifespan of this plan. This steadiness is attributed to annual replacement of vehicles and equipment. The greatest single expense is for a parking lot resurfacing and security features. No expense is listed for a specific plan or project.

The following improvements are descriptions of the more significant expenses. Appendix C is a worksheet that lists each improvement with the year, expense, and funding source.

COURT AND STATION UPGRADES. The departments have one major expense of \$250,000 in 2026/27 for a new parking lot with security features. After this initial year, two minor interior renovations for carpeting and offices are scheduled for 2027/28 and 2028/29. Funding is primarily through the Court Capital Improvements fund.

VEHICLES. Throughout the six years, two (2) Ford Explorer utility vehicles are purchased as part of an ongoing rotation. The cost is annually between \$90,000 and \$94,000 except for \$50,000 projected for Year 1. The general fund is the funding source.

Department of Public Services

The Department of Public Services (DPS) is responsible for the administration and maintenance of local and major streets, storm drains, sanitary sewers, signage, forestry, City parks, water main repair, water meter (repair, exchange, and billing), all City buildings, and all City equipment. The department also handles, or assists, all City-wide projects in conjunction with maintenance within other City departments. The Department of Public Services is located at 14719 Schafer Court.

Table 5. Summary of Capital Improvement Projects

Project Type	Budget Year						TOTAL
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Project/Plan	-	-	-	-	-	-	-
Facility	-	-	-	-	-	-	-
Infrastructure	\$5,771,800	\$7,575,100	\$5,731,800	\$6,770,600	\$7,792,200	\$5,367,520	\$39,009,020
Vehicle	\$594,192	\$455,895	\$460,033	\$88,966	\$99,797	-	\$1,698,883
Equipment	-	-	-	-	-	-	-
TOTAL	\$6,365,992	\$8,030,995	\$6,191,833	\$6,859,566	\$7,891,997	\$5,367,520	\$40,707,903

SUMMARY: The Department of Public Services has the greatest amount of annual expenses for vehicles and infrastructure of any department which is typical of similar communities. It is responsible for miles of road surface and associated underground utilities. Infrastructure expenses are uniform for the six-year period and range from \$5.4M to \$7.8M. Vehicles are another significant annual expense due to the need for tractors and large specialty vehicles. Vehicle expenses are most in the first three years with the purchase of four large vehicles and lessens in later years with the transition to utility vehicles. No expenses for plans, projects, facilities, and equipment are projected for the six years.

The following improvements are descriptions of the more significant expenses. Appendices D and E contain worksheets that list each improvement with the year, expense, and funding source.

ROAD AND UTILITY MAINTENANCE. Preventive maintenance and CIP water main lining happens each year. \$80,000 is annually allocated for preventive maintenance. CIPP water main lining has yearly expenditures of between \$1M and \$2M. Inspections of lift stations are part of the maintenance program. Funding is provided through a street or water fund, plus grants received.

ROAD CONSTRUCTION. The City is responsible for reconstruction of local and major roads. Through this six-year period, 11 local road and seven (7) major road improvements are listed.

Annual costs range between \$2M to \$3.3M for local roads and \$1.6M to \$2.8M for major roads. Funding for local roads is from three sources. The TIFA for three (3) roads within its boundary. State Act 51 local road funding is used for eight (8) projects and the street fund for public alleys. Major roads are funded through State Act 51 major road money or TIFA (Prechter and Reeck Streets).

VEHICLES. The department requires transit sewer camera truck, front end loader, backhoe, and dump truck in the early years adding to the annual costs. The final three years involves replacement of smaller utility vehicles. Costs steadily dropped from \$590,000 to \$100,000 in year 5 and to \$0 in the final year. The water fund is the primary source of money with the sewer camera truck also being financed through the sewer fund.



Parks and Recreation Department

The City of Southgate Parks & Recreation Department is responsible for the Ice Arena, Ballfields, South Winds Golf Course, Senior Center, Recreation Programs, and all City Parks and Pavilion Rentals. The department boasts Municipal Complex area on Reaume Parkway and Dix-Toledo Road with Recreation amenities such as an Ice Arena with two indoor ice rinks, nine baseball/softball fields, golf course, dog park, and an outdoor inline rink. The department is located at 14700 Reaume Parkway.

The department has plans to develop Downriver's FIRST Miracle League Field along with the redevelopment of the aged tennis courts - to include two tennis courts, six pickleball courts and a padel court along with site amenities, shade structures, new fencing and lighting and a paved parking area.

The city and neighborhood parks total just over 51 acres of land. In addition, the Southgate Nature Center occupies about 40 acres near Southgate Anderson High School. The City also has a partnership with Southgate Community Schools that provides a Nature Center and walking trail that is part of the Downriver Linked Greenways.

Table 6. Summary of Capital Improvement Projects

Project Type	Budget Year						TOTAL
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Project/Plan	-	-	-	-	-	-	-
Facility	\$2,357,785	\$2,000,000	\$700,000	\$374,000	-	-	\$5,431,785
Infrastructure	-	-	-	-	-	-	-
Vehicle	\$80,920	-	-	-	-	-	\$80,920
Equipment	\$25,000	\$1,125,000	\$25,000	\$125,000	-	-	\$1,300,000
TOTAL	\$2,463,705	\$3,125,000	\$725,000	\$499,000	-	-	\$6,812,705

SUMMARY: The Recreation Department has the responsibility to construct and maintain all athletic fields and centers. The spreadsheet shows multi-million dollars for construction of the buildings and athletic fields in years 2026/27 through 2028/29. After these initial years, the expenses lessen. Play structures and fencing are the more significant equipment expenses and occur in the earlier 2026/27 and 2027/28 budget years. A \$1.3M cost for the ice arena roof replacement is a 2027/28 expense shown in the city administration worksheet but included as a recreation department improvement. No projects, infrastructure, or equipment have been projected for the six years.

The following improvements are descriptions of the more significant expenses. Appendix F is a worksheet that lists each improvement with the year, expense, and funding source.

PARK FACILITIES (NON-BUILDING). Miracle Field and its park/pavilion and municipal courts dominate the park improvements with a joint cost of slightly more than \$1M. These improvements occur in the early years of 2026/27 and 2027/28. The Recreation Millage is the funding source.

BUILDING IMPROVEMENTS. This category has the greatest expenses, as expected. Besides the park buildings, an ice arena roof replacement projected by city administration is also included in this category. Three significant improvements are the Miracle League Field entrance building for \$750,000, the Miracle League Field park and pavilion for \$650,000, and the South Winds Clubhouse for \$1.250M. All three improvements are shown in 2026/27 with the Recreation Millage as the funding source. A fourth large improvement is the ice arena roof replacement which is projected to cost \$1.3M and is scheduled for 2027/28. A combination of the Recreation Millage and general funds are the sources of financing for this project.

VEHICLE. One tractor is requested in 2026/27 for \$80,920. No other vehicles are projected. The Recreation Millage is the funding source.



Southgate Veterans Memorial Library

The Southgate Veterans Memorial Library seeks to create and maintain a friendly, welcoming environment for everyone. Over the years, additions doubled the library's footprint to 21,000 square feet and included two large meeting rooms, a computer room, five study rooms, the children's storytime and craft rooms, the front reading room, a kitchen for library staff, and extra space for the expansion of the collection. The library is located at 14680 Dix-Toledo Road.

Table 7. Summary of Capital Improvement Projects

Project Type	Budget Year						TOTAL
	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	
Project/Plan	-	-	-	-	-	-	-
Facility	\$16,000	-	-	-	-	-	\$16,000
Infrastructure	-	-	-	-	-	-	-
Vehicle	-	-	-	-	-	-	-
Equipment	-	-	-	-	\$25,000	-	\$25,000
TOTAL	\$16,000	-	-	-	\$25,000	-	\$41,000

SUMMARY: Expenditures for the Public Library are not extensive and confined to room renovations and computer replacement. The library submitted a more extensive list of improvements but with no timeframes or cost estimates. These projects are listed below. No expense is listed for a plan, infrastructure, or vehicle. All improvements are funded through a dedicated Library Fund and millage.

The following improvements are descriptions of the more significant expenses. Appendix G is a worksheet that lists each improvement with the year, expense, and funding source.

BUILDING IMPROVEMENTS. The library has eight (8) building improvements listed. A cost estimate has been shared for the construction of two internal rooms in 2026/27 of \$16,000. No projections are made for seven (7) of the improvements. Foundation repair and roof repair/replacement can be expected to have more significant cost. The Library Fund is the finance source.

COMPUTERS AND FURNITURE. Computer replacement is shown in 2030/31 with a cost of \$25,000. Computer lab tables and desks are listed without year and expense. The Library Fund is the finance source.

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Capital Improvement Plan

2026-2032

APPENDICIES

Appendix A. City Administration Expense Matrix

Appendix B. Southgate Fire Department Expense Matrix

Appendix C. Southgate Police Department Expense Matrix

Appendix D. Department of Public Services – Engineering Expense Matrix

Appendix E. Department of Public Services – Vehicles Expense Matrix

Appendix F. Parks and Recreation Department Expense Matrix

Appendix G. Southgate Veterans Memorial Library Expense Matrix

Appendix A. City Administration

CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Administration

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	20231/32	TOTAL
Project/Plan	Public Art Installation	DDA, General Fund, Donation	\$80,000						\$80,000
PROJECT TOTAL			\$80,000	\$0	\$0	\$0	\$0	\$0	\$80,000
Facility	City Hall Façade	General Fund	\$200,000	\$500,000					\$700,000
Facility	Municipal Electrical HUB Upgrades (approved 10.1.25)	General Fund	\$317,400						\$317,400
Facility	Firehouse Roof	General Fund			\$340,000				\$340,000
Facility	Ice Rink Roof Section 2 (East Rink) ¹	Rec. Millage, General Fund		\$1,300,000					\$1,300,000
FACILITY TOTAL			\$517,400	\$1,800,000	\$340,000	\$0	\$0	\$0	\$2,657,400
Vehicle	No Projects								\$0
VEHICLE TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	No Projects								\$0
EQUIPMENT TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Furniture/Interior	No Projects								\$0
FURNITURE/INTERIOR UPGRADE TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$0
ASSET TOTAL			\$597,400	\$1,800,000	\$340,000	\$0	\$0	\$0	\$2,737,400

¹ This improvement is included in the Recreation Department section.

Appendix B. Southgate Fire Department

CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Southgate Fire Department

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	20231/32	TOTAL
Project/Plan	No Projects								\$0
PROJECT TOTAL									\$0
Facility	Locker Room Remodel	General Fund			\$250,000				\$250,000
Facility	Addition of a Female Locker Room	General Fund	\$50,000						\$50,000
FACILITY TOTAL			\$50,000	\$0	\$250,000	\$0	\$0	\$0	\$300,000
Vehicle	New Ladder truck	General Fund		\$1,800,000					\$1,800,000
Vehicle	New Fire Engine	General Fund				\$800,000			\$800,000
Vehicle	New Rescue Vehicle	General Fund			\$150,000				\$150,000
VEHICLE TOTAL			\$0	\$1,800,000	\$150,000	\$800,000	\$0	\$0	\$2,750,000
Equipment	2 New EMS monitors	General Fund		\$150,000					\$150,000
Equipment	New Lucas Device	General Fund					\$20,000		\$20,000
Equipment	Hydraulic Jaws/cutters	General Fund	\$50,000						\$50,000
Equipment	Radios	General Fund	\$40,000	\$40,000	\$40,000				\$120,000
EQUIPMENT TOTAL			\$90,000	\$190,000	\$40,000	\$0	\$20,000	\$0	\$340,000
Furniture/Interior	No Projects								\$0
FURNITURE/INTERIOR UPGRADE TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$0
ASSET TOTAL			\$140,000	\$1,990,000	\$440,000	\$800,000	\$20,000	\$0	\$3,390,000

Appendix C. Southgate Police Department

CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Southgate Police Department

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	20231/32	TOTAL
Project/Plan	Parking Lot resurface / Secure Fence/Gate	Court Cap improv + Budget	\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000
PROJECT TOTAL			\$250,000	\$0	\$0	\$0	\$0	\$0	\$250,000
Facility	Admin and Records carpet replacement	Budget		\$27,500					\$27,500
Facility	Reserve Office Renovation	Budget			\$10,000				\$10,000
FACILITY TOTAL			\$0	\$27,500	\$10,000	\$0	\$0	\$0	\$37,500
Vehicle	Ford Explored Utility @ (2) per year	Existing Fund + Budget	\$50,000	\$90,000	\$90,000	\$92,000	\$92,000	\$94,000	\$508,000
Vehicle	Mobile Radio Replacement	Budget		\$130,000					\$130,000
VEHICLE TOTAL			\$50,000	\$220,000	\$90,000	\$92,000	\$92,000	\$94,000	\$638,000
Equipment	Dash Camera Replacement (5) yr contract	Budget			\$42,000	\$42,000	\$42,000	\$42,000	\$168,000
Equipment	Body Camera Replacement (5) yr contract	Budget					\$60,000	\$60,000	\$120,000
Equipment	Taser Replacement (5) yr contract	Budget			\$10,000	\$12,000	\$12,000	\$12,000	\$46,000
EQUIPMENT TOTAL			\$0	\$0	\$52,000	\$54,000	\$114,000	\$114,000	\$334,000
ASSET TOTAL			\$300,000	\$247,500	\$152,000	\$146,000	\$206,000	\$208,000	\$1,259,500

Appendix D. Department of Public Services – Engineering

CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Department of Public Service - Engineering

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	20231/32	TOTAL
Roads	Prevention Maintenance - Spray Patch	Street Fund	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$480,000
Roads	Prevention Maintenance - Joint and Crack Sealing	Street Fund		\$80,000	\$80,000	\$80,000	\$80,000	\$80,000	\$400,000
PROJECT TOTAL			\$80,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$880,000
Water Main	CIPP Lining - Eureka Road	Water - or Grants	\$927,300						\$927,300
Water Main	CIPP Lining - Devoe	Water - or Grants		\$1,711,000					\$1,711,000
Water Main	CIPP Lining - Superior	Water - or Grants			\$1,543,800				\$1,543,800
Water Main	CIPP Lining - Helen St.	Water - or Grants				\$1,170,000			\$1,170,000
Water Main	CIPP Lining - Superior, Windemere and Dix	Water - or Grants				\$781,000			\$781,000
Water Main	CIPP Lining - East Side Burns	Water - or Grants					\$1,972,200		\$1,972,200
Water Main	CIPP Lining - West Side Burns	Water - or Grants						\$1,691,520	\$1,691,520
WATER MAINS TOTAL			\$927,300	\$1,711,000	\$1,543,800	\$1,951,000	\$1,972,200	\$1,691,520	\$9,796,820
Walnut	Reconstruct - Prechter to Reeck	TIFA	\$1,100,000						\$1,100,000
Centre Drive	road Reconstruction	TIFA	\$383,500						\$383,500
Howard	Reconstruct Leroy to Eureka	Act 51 Local		\$1,430,000					\$1,430,000
McCann	Leroy to Eureka	Act 51 Local	\$944,000	\$944,000					\$1,888,000
Noecker Way	road Reconstruction	TIFA			\$840,000				\$840,000
Howard	road Reconstruction	Act 51 Local			\$758,000	\$980,000			\$1,738,000
James	road Reconstruction	Act 51 Local				\$1,456,000			\$1,456,000
Helen	Reconstruct - Eureka to Superior	Act 51 Local					\$1,352,000		\$1,352,000
Kennebec	Reconstruct - Penns. To Leroy	Act 51 Local					\$1,456,000		\$1,456,000
Poplar	Reconstruct - Penns. To Leroy	Act 51 Local						\$1,456,000	\$1,456,000
Public Alleys	Reconstruction (roughly 4-6 per year)	Street Fund	\$547,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$3,047,000
LOCAL ROAD TOTAL			\$2,974,500	\$2,874,000	\$2,098,000	\$2,936,000	\$3,308,000	\$1,956,000	\$16,146,500
Burns Ave	Reconstruct Northline to Brest	Act 51 Major	\$880,100	\$880,100					\$1,760,200
Richmond	Reconstruct Eureka to Dix	Act 51 Major	\$900,000						\$900,000
Prechter Blvd	road Reconstruction	TIFA		\$1,950,000	\$1,930,000				\$3,880,000
Leroy	Reconstruct Trenton to Fort	Act 51 Major				\$881,600			\$881,600
Reeck	Reconstruct Heritage to Northline	TIFA				\$842,000			\$842,000
Leroy	Reconstruct McCann to Trenton	Act 51 Major					\$2,352,000		\$2,352,000
Helen	Reconstruct Penns. To Leroy	Act 51 Major						\$1,560,000	\$1,560,000
MAJOR ROAD TOTAL			\$1,780,100	\$2,830,100	\$1,930,000	\$1,723,600	\$2,352,000	\$1,560,000	\$12,175,800
Lift Station no.1	Inspection Drake	Water - or Grants	\$3,300						\$3,300
Lift Station no.2	Inspectoin Reeck	Water - or Grants							\$3,300
Lift Station no.3	Inspectoin Oaklawn	Water - or Grants	\$3,300						\$3,300
STORMWATER TOTAL			\$9,900	\$0	\$0	\$0	\$0	\$0	\$9,900
ASSET TOTAL			\$5,771,800	\$7,575,100	\$5,731,800	\$6,770,600	\$7,792,200	\$5,367,520	\$39,009,020

Appendix E. Department of Public Services – Vehicles

**CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Department of Public Service - Vehicles**

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	TOTAL
Vehicle	Step Van Utility Vehicle	Water Funding	\$259,279						\$259,279
Vehicle	Transit Sewer Camera Truck	Water / Sewer Funding	\$334,913						\$334,913
Vehicle	Front End Loader	Water Funding		\$235,645					\$235,645
Vehicle	Dump Truck	Water Funding		\$220,250					\$220,250
Vehicle	Cat Backhoe	Water Funding			\$239,783				\$239,783
Vehicle	Dump Truck	Water Funding			\$220,250				\$220,250
Vehicle	Ford Pickup F150	Water Funding				\$44,483			\$44,483
Vehicle	Ford Pickup F150	Water Funding				\$44,483			\$44,483
Vehicle	Meter Repair Van	Water Funding					\$55,314		\$55,314
Vehicle	Ford Pickup F150	Water Funding					\$44,483		\$44,483
VEHICLE TOTAL			\$594,192	\$455,895	\$460,033	\$88,966	\$99,797	\$0	\$1,698,883
ASSET TOTAL			\$594,192	\$455,895	\$460,033	\$88,966	\$99,797	\$0	\$1,698,883

Appendix F. Parks and Recreation Department

CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Parks and Recreation Department

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	20231/32	TOTAL
Equipment	Bobcat	Recreation Millage							\$0
Equipment	Kennebec Park Park Equipment	Recreation Millage							\$0
Equipment	Cobb Park Phase 3 - Pathway/Fencing	Recreation Millage		\$100,000					\$100,000
Equipment	Countryside Park Play Equipment	Recreation Millage		\$1,000,000					\$1,000,000
Equipment	Park Updates	Recreation Millage	\$25,000	\$25,000	\$25,000	\$25,000			\$100,000
Equipment	Spruce Park Update	Recreation Millage	\$25,000	\$1,125,000	\$25,000	\$125,000	\$0	\$0	\$1,300,000
EQUIPMENT TOTAL									
Facility	Municipal Tennis/Pickleball Courts & Parking Lot	Recreation Millage							\$0
Facility	Miracle League Field Phase 1 - Field/Lighting/Dugouts	Recreation Millage							\$0
Facility	Miracle League Field Phase 2 - Entrance Building with Restrooms	Recreation Millage	\$750,000						\$750,000
Facility	Ballfield Fencing	Recreation Millage	\$50,000	\$50,000	\$50,000				\$150,000
Facility	Southwings Clubhouse Building	Recreation Millage	\$1,250,000						\$1,250,000
Facility	Miracle League Field Phase 3 - Park/Pavilion	Recreation Millage		\$650,000					\$650,000
Facility	Miracle League Field Phase 4 If Needed	Recreation Millage			\$324,000				\$324,000
FACILITY TOTAL			\$2,050,000	\$700,000	\$374,000	\$0	\$0	\$0	\$3,124,000
LANDFILL TOTAL			\$1,110,000	\$1,300,000	\$560,000	\$810,000	\$0	\$0	\$3,780,000
ASSET TOTAL			\$3,185,000	\$3,125,000	\$959,000	\$935,000	\$0	\$0	\$8,204,000

Appendix G. Southgate Veterans Memorial Library

CITY OF SOUTHGATE
CAPITAL IMPROVEMENTS PLAN
Southgate Veterans Memorial Library

Asset Type	Asset Description	Funding Sources	2026/27	2027/28	2028/29	2029/30	2030/31	20231/32	TOTAL
Project/Plan	Building two new rooms	Library fund	\$16,000						\$16,000
Project/Plan	Foundation repair ¹	Library fund							\$0
PROJECT TOTAL			\$16,000	\$0	\$0	\$0	\$0	\$0	\$16,000
Facility	Roof repair/replacement ¹	Library fund							\$0
Facility	Entrance rebuild or door replacement ¹	Library fund							\$0
Facility	Floor vent repair ¹	Library fund							\$0
Facility	Meeting room dividing wall replacement ¹	Library fund							\$0
Facility	Public bathroom sink replacement ¹	Library fund							\$0
Facility	Lighting evaluation ¹	Library fund							\$0
Facility	Lighting update ¹	Library fund							\$0
FACILITY TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment	Public and staff computer replacement	Library fund				\$25,000			\$25,000
EQUIPMENT TOTAL			\$0	\$0	\$0	\$25,000	\$0	\$0	\$25,000
Furniture/Interior	Computer lab tables or desks ¹	Library fund							\$0
FURNITURE/INTERIOR UPGRADE TOTAL			\$0	\$0	\$0	\$0	\$0	\$0	\$0
ASSET TOTAL			\$16,000	\$0	\$0	\$25,000	\$0	\$0	\$41,000

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