



**Finance and Budget Committee (Special)
Tuesday, October 29, 2024
Lorraine H. Morton Civic Center 5:00 PM**

Google Meet joining info
Video call link: <https://meet.google.com/sqo-xegb-vtc>
Or dial: (US) +1 406-530-6054 PIN: 328 275 077#
More phone numbers: <https://tel.meet/sqo-xegb-vtc?pin=7345600293350>

AGENDA

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1. CALL TO ORDER/DECLARATION OF A QUORUM

2. APPROVAL OF VIRTUAL COMMITTEE MEMBER PARTICIPATION

3. PUBLIC COMMENT

4. DISCUSSION

D1. Proposed 2025 CIP Discussion

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The proposed 2025 Capital Improvement Program will be introduced for discussion and for the City Council to provide direction on priorities.

For Discussion

[Proposed 2025 CIP Discussion - Attachment - Pdf](#)

- D2. **Discussion Regarding the FY 2025 Proposed Budget** 20
Discussion Only.
For Discussion
[Discussion Regarding the FY 2025 Proposed Budget - Attachment - Pdf](#)
- D3. **Discussion Regarding Revenue and Expense Ideas** 21 - 24
Discussion Only.
For Discussion
[Discussion Regarding Revenue and Expense Ideas - Attachment - Pdf](#)

5. ADJOURNMENT



Memorandum

To: Members of the Finance and Budget Committee
From: Lara Biggs, City Engineer
Subject: Proposed 2025 CIP Discussion
Date: October 29, 2024

Recommended Action:

The proposed 2025 Capital Improvement Program will be introduced for discussion and for the City Council to provide direction on priorities.

Committee Action:

For Discussion

Summary:

The development of the CIP begins each year in May. Multiple meetings with maintenance, operations, and CIP staff are held to plan the next year's CIP. At these meetings, staff review the following:

- Status of last year's CIP
- Previously published 5-year CIP
- Ongoing maintenance challenges
- Requests/concerns received in the last year from the general public through the 311 system
- Requests/concerns received in the last year from the councilmembers and the City Manager's Office
- Available resources (funding and staff time) for addressing project needs

To prepare the proposed 2025 CIP, 13 large and numerous small group meetings were held involving over 40 staff in multiple departments, including Administrative Services, the City Manager's Office, the Library, Parks and Recreation, and the Public Works Agency. Over several months, each area of the CIP was developed and then prioritized by the different departmental staff working together.

Feedback from Boards and Commissions:

The staff has reviewed the proposed 2025 Capital Improvement Program (CIP) with several boards and commissions. The proposed CIP's parks and recreation facility projects were reviewed with the Parks and Recreation Board on 7/25/24 and 9/19/24. Staff met with the

ADA Advisory Committee on 9/24/24 to review the impact of the proposed CIP on ADA compliance and with the Environment Board on 10/10/24 to discuss how the proposed 2025 CIP incorporates CARP goals. Minor changes were (or will be) incorporated based on the feedback received.

Staff also met with the Finance and Budget Committee on 9/10/24, who highlighted two issues to be considered in the development of the CIP (neither of these has yet been incorporated):

- Consideration should be given long-term to changing project funding for those regular annual investments that utilize G.O. Bonds. Instead of using debt issuance, funding for these projects could be moved into the operating budget. Based on the proposed 2025 CIP, this would result in an additional \$6.4 million in funding that would be moved into the General Fund operating budget (further information on the number and type of annual investment projects is provided later in this memo).
- Each year, the CIP retires \$10-\$12 million in previous debt issuances. Consideration should be given to setting the annual G.O. Bond debt issuance to equal the amount of debt that is being retired each year. The debt that is being retired each year was usually issued 20 years ago. Using the Engineering News-Record (ENR) Construction Cost Index, \$10 million in debt issued 20 years ago would have the equivalent purchasing power of \$5.6 million in debt issued today. In particular, this would have drastic implications for the capital improvement of parks and facilities, which have very few alternate funding sources and have been chronically underfunded for the last 20 years.

2025 CIP Summary:

The City's annual Capital Improvement Program (CIP) is organized into multiple sections for ease of accessing the information:

- Street Resurfacing, Water Main, and Sewer
- Other Transportation
- Parks
- Facilities
- Miscellaneous
- Water Treatment, Billing, and Storage
- Library

An overall summary of the project needs is as follows:

	2025 GO Bonds	Other Funding	Total
Street Resurfacing, Water Main, and Sewer	\$1,881,000	\$25,925,315	\$27,906,315
Other Transportation	\$3,998,000	\$3,377,000	\$7,375,000
Parks	\$8,530,000	\$3,750,000	\$12,280,000
Facilities	\$7,855,000	\$2,600,000	\$10,455,000
Miscellaneous	\$1,530,000	\$150,000	\$1,680,000
Water Treatment, Billing and Storage		\$24,964,085	\$24,964,085
Library		\$1,900,000	\$1,900,000
Total	\$23,794,000	\$62,666,400	\$86,460,400

Funding:

A critical portion of organizing the CIP is determining the appropriate funding. The City utilizes many different types of funding for the implementation of the CIP. Most of the funding types have significant limitations in how they can be used, as shown in the table below:

Funding Source	Est. Budget	Limitations
2025 General Obligation Bonds	\$23,794,000	None. Abated by property tax revenue.
2025 General Obligation Bonds - Water	\$17,391,000	Water treatment plant and distribution system assets only. Abated by water revenue.
2025 General Obligation Bonds - Library Fund	\$1,900,000	Library assets only.
Water Fund	\$3,065,820	Water treatment plant and distribution system assets only.
Sewer Fund	\$2,740,000	Sewer collection system assets only
Illinois Environmental Protection Agency Loan and WIFIA funds	\$10,513,085	Project-specific. Water and Sewer projects only. Must be repaid.
Water Infrastructure Finance and Innovation Act Funds (WIFIA)	\$11,001,000	Project-specific. Water projects only. Must be repaid.
Motor Fuel Tax	\$4,117,185	Street and transportation projects only where improvements conform to IDOT standard
Parking Fund	\$2,600,000	Project-specific. Parking assets only.
Community Development Block Grants	\$1,160,000	Project-specific, must serve a primarily low-income area
Tax Increment Finance (TIF)	\$1,601,310	Geographic boundaries limited to the boundaries of the specific TIF
Other Funds	\$6,577,000	Includes previous year GO Bonds, Special Assessment Funds, donations by private groups (such as the Evanston Environment Foundation), etc.

As projects are identified, the funding source is determined. City-provided funds have annual limits, and the needs far outweigh the available funding. Because of this, staff actively seeks out grants and tries to leverage the available City resources to complete larger projects for less cost. Outside grants and loans are most available for funding for street, transportation, water, and sewer projects. Infrequently, a grant is awarded for park projects. Facilities projects rarely receive grant funding and usually must be funded solely by City funds. Parks and facilities projects are also not eligible for most city funding sources and, therefore, are generally funded entirely by general obligation bonds.

Of all of the funding sources, issuing general obligation bonds is of particular concern. The City works to manage the volume of bonds issued, but it is the current choice when no other

funding source is available. This funding is typically the only funding available for improvements to parks and facilities.

Update to Ongoing CIP Challenges:

In developing the 2024 CIP, staff identified three challenges, all of which are related to the overall funding of the CIP and would require a significant expansion in the amount of infrastructure work being completed in the next five years. These challenges include:

- Water Main Replacement/Lead Service Line Regulatory Requirements
- Legacy Park Infrastructure Needs
- Legacy Facilities Infrastructure Needs

Challenge 1 - Water Main Replacement/Lead Service Line Regulatory Requirements

A water main has a typical lifespan of 100 to 120 years. Therefore, the City has been targeting a replacement of 1% of the system per year or approximately 1.5 miles. However, so much of the water main is over 100 years old, and the system is aging faster than it can be replaced. In 2019, the State of Illinois passed a new Lead Service Line Replacement (LSLR), which requires the City to replace all LSLs by 2047. In order to maintain a reasonable water main replacement program and meet the new regulatory requirements, the staff proposes a series of water rate increases, which will be addressed in detail as part of a separate discussion. When the City first prepared the LSL inventory, 10,472 LSLs were identified out of 14,654 total water services. Since then, a total of 576 LSLs have been successfully replaced.

On October 8, 2024, the US Environmental Protection Agency finalized a new, more rigorous schedule of removing all LSLs within ten years, beginning in 2027. There is an exemption that Evanston would be eligible to apply for, which would allow the City to extend the replacement time to 16 years beginning in 2027 or 2043. This accelerated removal rate has not yet been accounted for in the City's planning.

Challenge 2 - Legacy Park Infrastructure Needs

The City of Evanston operates and maintains 88 parks, totaling approximately 266 acres. The park system is made up of a wide variety of amenities and infrastructure elements, from playgrounds and active sports fields to decorative fountains and contemplative landscapes. In 2024, staff identified 11 "legacy" parks that had had no capital infrastructure investment for at least 26 years. All of these parks were placed into the five-year CIP. Of the 11 parks, two underwent significant renovation in 2024 (Larimer Park and Independence Park), and staff will contract consulting services for the renovation of two others by the end of the year (Cartwright Park and Fitzsimons Park) for construction in 2025. The legacy park status is:

Legacy Park	Plan for Improvement
Cartwright Park	Construction 2025
Chandler Tot Lot	Construction 2025
Clyde-Brummel Park	Construction 2028
Fitzsimons Park	Construction 2025
Hobart Park	Construction 2027
Independence Park	Under Construction
Larimer Park	Under Construction
Philbrick Park	Construction 2027
Porter Park	Construction 2028
Raymond Park	Construction 2029
Southwest Park	Construction 2028

In addition, the staff is recommending that the City continue to regularly improve the other City-owned parks, including both individual projects to update parks for current use as well as regular investment and modernization projects, including:

- ADA improvements
- Court Rehabilitation
- Fence Replacement
- Park Lighting Modernization
- Pathway Improvements
- Playground Equipment Replacement
- Parks Contingency
- Evolving operational needs

Challenge 3 - Legacy Facilities Infrastructure Needs

The City owns over 50 facilities, ranging from public-facing recreation centers, park fieldhouses and municipal buildings (such as the Civic Center) to facilities that provide a critical infrastructure need, such as fire stations and the Service Center. The City has chronically underfunded infrastructure projects at facilities, even though the needs have been well-known for decades. An example is the Civic Center, which has been known to need substantial investment since the City began a public discussion in 1998 (27 years ago).

In 2024, staff identified six Legacy Facilities that are undergoing substantial failures in multiple building systems. In each case, the City had engaged a consultant over the last several years to provide more detailed solutions for how to proceed. The City has made significant progress in identifying and addressing legacy facility needs:

- The new Animal Shelter building and the renovation of the existing Ecology Center building are both currently under construction. The Animal Shelter project is nearly complete, and the Ecology Center renovation is expected to be completed in early 2025.
- The Service Center and the Noyes Cultural Arts Center both have completed master plans that have been accepted and placed on file. Work on the Service Center began in 2024 with the ongoing construction of the replacement fuel island with additional Service Center projects proposed as part of the 2025 budget. Work on the Noyes Cultural Arts Center is proposed to begin in 2027.
- Discussions regarding the planning around the Civic Center and Police/Fire Headquarters are ongoing.

A summary of the Legacy Facilities is as follows:

	Systems in Failure	2025 Est. Costs	Future Costs	Future Plan
Police Fire HQ	Building Insufficiency, Security, Electrical, Envelope	\$400,000	\$75M - \$95M	
Civic Center	HVAC, Electrical, Envelope	–	\$50M - \$70M	
Service Center ¹	Fuel System, Structural, HVAC, Electrical	\$800,000	\$28M	Master Plan On File
Noyes ¹	HVAC, Electrical, Envelope	–	\$22M	Modernization Plan On File
Animal Shelter ¹	Building Insufficiency, HVAC	–		Regular Maintenance Investment
Ecology Center ¹	Structural Subfloor, Security, Crawl Space Moisture	–		Regular Maintenance Investment
TOTAL		\$1,200,000	\$175M - \$215M	

Notes:

1. These facilities are “below the line” in that the City Council has provided guidance on a plan to renovate or replace these facilities that is currently being implemented.

In addition, the staff is recommending that the City continue to regularly improve the other City-owned facilities, including both individual projects to update facilities for current use as well as regular investment and modernization projects, including:

- ADA improvements
- Roof repairs and tuckpointing

- Facilities Contingency
- Tuckpointing
- Flooring updates
- Interior space renovations such as kitchens, locker rooms, and restrooms
- CARP implementation (lighting modernization, vehicle charging, electrification)
- Evolving operational needs

2025 CIP Preparation Challenges:

Four challenges are identified as impacting the proposed 2025 CIP.

- Special Assessment Alley Improvement Demand
- Sidewalk Improvement Needs in the Downtown Business District
- Fountain Square Repair/Replacement
- Public Engagement in Parks Projects

2025 Challenge 1 - Special Assessment Alley Improvement Demand

Special assessment alleys are alleys that are improved through a 50/50 cost share with adjacent property owners. Unimproved alleys usually have a driving surface of recycled asphalt grindings. These alleys do not have a drainage system. They are typically regraded by the Public Works Streets Division several times a year in order to improve the quality of the driving surface. Nevertheless, because of the material, these alleys are often prone to ruts. This can create wear and tear on vehicles, including City sanitation and recycling trucks, which utilize the alleys to pick up trash. As the alleys are regraded, additional grindings are added, which can cause the surface grade to increase over time; during rain events, stormwater flows off of the alleys into the adjacent yards. This can contribute to flooding on the adjacent properties. With inadequate drainage, the water can pond and freeze during the winter, and it is not uncommon for garage doors to freeze shut.

Residents who live adjacent to an unimproved alley can request that it be improved through a specific process. When they contact the City, they are advised that they will need to circulate a petition, and at least 51% of the adjacent property owners have to agree to pay 50% of the total cost of the improvement, with the City paying the remainder. Once the petition process is successfully completed, the alley is programmed for design and construction. This process is managed by the Board of Local Improvements.

There has been a waitlist for a petition for at least ten years because of the high demand. Currently, there are 86 community members on the waitlist. The City releases 5 to 10 petitions annually. From this, the City receives 2 to 3 successful petitions, which are then turned into alley improvement projects for the next year. At the current level of funding to pay the City's share, approximately \$500,000 annually, this is all that can be funded for alleys requested through the special assessment process. (Community Development Block Grant funds have funded an additional 1-2 alleys per year, but these are selected separately and do not generally reduce the waitlist length.)

Currently, residents who contact the City to request a petition can expect to wait 7 to 9 years to actually receive the petition to circulate, and they are generally not happy with this. The waitlist increases yearly as the funding does not keep up with demand.

Because of the volume of negative feedback being received, the staff recommends transferring an additional \$1,000,000 from the general fund reserves, which would allow an additional 4-6 alleys to be improved in 2025. In 2025, staff will also investigate if there are other options for improving special assessment alley funding.

2025 Challenge 2 - Sidewalk Improvement Needs in the Downtown Business District

Decades ago, the business district sidewalk standard was changed to paver blocks. Over time, the pavers have shifted, increasing trip hazards. Over the last 15-20 years, the City has adopted a new standard that is more ADA-friendly and easier to maintain - concrete sidewalks with a paver block ribbon along the curb. Gradually, all of the paver block sidewalks are being converted.

Unfortunately, the downtown business district still has a significant number of paver block sidewalks, and the City has been seeing increased litigation in recent years from plaintiffs who have tripped on the uneven surface. Therefore, staff recommends a concentrated effort to remove the remaining paver block sidewalks. The proposed 2025 budget includes \$750,000 to begin this program. In 2025, staff will develop a plan to remove the remaining paver block sidewalks over a 3-5 year period.

2025 Challenge 3 - Fountain Square Repairs/Replacement

Following a discussion at the City Council meeting on 9/9/24 about Fountain Square, the staff is including a budget for its replacement.

2025 Challenge 4 - Public Engagement in Parks Improvement Projects

One particularly ongoing challenge related to park improvement is related to public and stakeholder engagement. During the 2024 budget preparation, staff received City Council direction to reduce overall public engagement to save resources, both staff and consultant time. Unfortunately, this has not generally been supported by the City Council in the 2024 implementation of the CIP. For example, staff had indicated that to do playground equipment changeouts, one public meeting would be held for each playground. However, for the installation of replacement playground equipment at Twiggs Park, a minimum of two meetings were required at the direction of the councilmember.

A review of the neighboring park districts indicates that 0-1 public meetings are required based on the project's scope. When the Skokie Park District renovated Central Park in Skokie (a park with similar amenities to Larimer Park and approximately twice the physical size), one public meeting was held. Here are typical meeting schedules for Evanston projects:

For Twiggs Park Playground Equipment Replacement (currently in planning), the following meetings are scheduled:

- Total planned public meetings - 2 meetings involving the public

For Larimer Park (currently in construction), the following meetings were held:

- Public meetings - 3
- Stakeholder group (YMCA) - 1
- Preservation Commission - 1
- TOTAL - 5 meetings involving the public

For the Dog Beach ADA Access (currently in redesign), a legally required access path that received City Council conceptual design approval on 2/27/23, the following meetings were held following the 2/27/23 direction by City Council:

- Stakeholder group meetings - 5
- ADA Advisory Committee meeting - 1
- Council meetings to consider the staff recommendation to award the bid and further discuss the project - 3
- Preservation Commission (for discussion after the Certificate of Appropriateness had been issued - 1
- Upcoming meeting with a third-party ADA consultant not affiliated with the City to provide feedback to the City's consultant - 1
- TOTAL - 11 meetings involving the public prior to updating the contract documents and rebidding

Similarly, Ridgeville Park District (located in Evanston and serving Evanston residents only) holds zero public engagement meetings when installing park improvements. Wilmette Park District typically holds 0 -1 public engagement per park improvements.

The extensive public engagement takes significant staff and consultant resources and dramatically limits the ability of the staff to complete the needed annual workload. In general, staff can accomplish a single public meeting on a given project, but anything additional will require consultants to be engaged. Each public meeting adds approximately \$10,000 - \$20,000 to the cost of a consulting contract, which includes not only the public meeting preparation but also the work required to incorporate the feedback. It also extends the project schedule by 1-2 months. An equivalent amount of time is not available for staff to do the work themselves, so it increases the need to spend funding on consultants.

Prioritizing Projects for the 2025 CIP:

In past years, the City Council has recommended moving forward with projects that have already begun prior to 2025. This is to avoid wasting the resources that have already been spent. A detailed list of ongoing projects started prior to 2025 is attached. This group represents a 2025 budget of \$7,109,000 in 2025 G.O. Bonds and \$39,235,400 in non-G.O. Bond funds.

There are other criteria that have also been used in prior years to prioritize the CIP.

- Annual Investment: Annual projects are those in which a similar value is budgeted each year to do similar work. An example is street resurfacing, which is budgeted every year, although the specific street locations change.
- Immediate Life Safety Improvements: Projects that are needed to mitigate an immediate danger to staff or members of the public are recommended for prioritization.
- Regulatory Requirements: Projects that the City is doing to meet a legal requirement are recommended for prioritization. As an example, these include projects to meet requirements related to the Americans with Disabilities Act and Lead Service Line Replacement.
- Significant Non-G.O. Bond Funding: The City Council has frequently expressed concern about the amount of debt issued to fund capital improvement projects. Therefore, projects that do not rely entirely on G.O. Bonds or that leverage bonds with significant non-bond revenue are prioritized.
- Building Envelope Projects: The above list does not prioritize projects to stabilize building envelopes (e.g., walls and roofs). Since water leaking into a building can cause long-term damage to other building systems and health and safety concerns, consideration should be given to adding these projects. In particular, the roofs at the Service Center Building and the Main Library have been recommended for replacement for several years and should be prioritized in 2025.
- Legacy Infrastructure Improvements: While not used as a criterion in previous years, the City Council has demonstrated a strong commitment to addressing the challenges related to the 11 Legacy Parks and 6 Legacy facilities with significant infrastructure needs. Therefore, projects related to these were also prioritized.

The list of projects that are prioritized using this criteria adds \$11,825,000 in 2025 G.O. Bonds and \$23,431,000 in other funding to the CIP. A detailed list of the projects that would be included in the CIP under these criteria is attached.

Other Potential Priority Projects:

The remaining projects have not been prioritized according to the criteria. A list of these projects that have been identified as needs but have NOT been prioritized is also attached. Each of these projects has important reasons why they were proposed for the 2025 CIP. They are as follows:

Project	2025 GO Bonds	Notes
Lincoln Street, Sheridan to Green Bay Rd, Ped and Bike Impr, Ph I	450,000	Will improve bike network
Sidewalk Grinding Program	50,000	Pilot testing this tech to increase sidewalk improvement rate at a lower cost than full replacement
Sidewalk, Davis to Clark	500,000	Removing failed paver block sidewalk to address ADA
Sidewalk, Clark to Benson	250,000	Removing failed paver block sidewalk to address ADA
Pickleball Court Impr	650,000	Strong community demand
Grey Park - Dog Park Installation	300,000	Strong community demand
Fire Station 3 - Interior Renovations	400,000	Replace severely deteriorated finishes
Fire Station 1&3 - Locker Room Improvements	400,000	Provide adequate facilities for female firefighters
Fleetwood - East/North Site Improvements	400,000	Critical to complete in 2025 so that it can be constructed with the new school, this project will reconfigure the east side of Fleetwood to match into the New 5th Ward School improvements
Levy - Kitchen Upgrade	330,000	Needed to support center operations
Municipal Storage Center - Renovation	100,000	This project will decommission the temporary animal shelter and finish needed repairs at the building.
Park Fieldhouses Restrooms (Baker, Leahy)	500,000	Updating deteriorated restrooms and bringing into compliance with ADA
South End - HVAC Electrification, Consulting	200,000	Consulting services to replace failing RTUs and convert it to all-electric.
City Network Disaster Recovery Infrastructure	300,000	Provides needed disaster backup for city IT network operations
TOTAL	4,830,000	

Summary:

Based on the information presented, total funding for the CIP would be as follows:

Category	2025 GO Bond	Non-GO Bond	Total
Ongoing Projects	7,109,000	39,235,400	46,344,400
New Prioritized Projects	11,855,000	23,431,000	35,256,000
SUB-TOTAL	18,964,000	62,666,400	81,360,400
Other Potential Priority Projects	4,830,000		
TOTAL	23,794,000	62,666,400	86,460,400

Following feedback from the City Council, staff will finalize the 2025 CIP.

Attachments:

[Attachment - Ongoing projects](#)

[Attachment - New, Prioritized Projects](#)

[Attachment - New, Non-Prioritized Projects](#)

**Proposed 2025 Capital Improvement Program
Ongoing Projects that are Began Prior to 2025**

	2025 GO Bonds	Water Fund- Abated Bonds	Water Fund Reserves	Water IEPA SRF	Sewer Fund Reserves	West Evanston TIF	Five Fifths TIF	CDBG	MFT	Special Assessment	WIFIA	Pass-Through Grants	Other Non-Bond Capital	Grand Total
Street Resurfacing, Water Main, and Sewer	1,431,000	4,570,000	965,820	2,300,000	830,000	60,790	40,520	-	2,557,185	-	-	-	1,060,000	13,815,315
<i>Major Projects</i>	1,431,000	1,320,000	200,000	-	830,000	-	-	-	2,557,185	-	-	-	360,000	6,698,185
Chicago Ave, Howard to Davis, Phase II	625,000	-	-	-	-	-	-	-	-	-	-	-	-	625,000
Church St Corridor Improvements, Phase II	700,000	-	-	-	-	-	-	-	-	-	-	-	360,000	1,060,000
Green Bay Road, McCormick to Isabella, Construction	-	1,320,000	-	-	830,000	-	-	-	2,557,185	-	-	-	-	4,707,185
Green Bay Road, McCormick to Isabella, Phase III	106,000	-	200,000	-	-	-	-	-	-	-	-	-	-	306,000
<i>Water Main</i>	-	3,250,000	765,820	2,300,000	-	60,790	40,520	-	-	-	-	-	700,000	7,117,130
LSLR for SRF Program, Construction	-	1,500,000	-	2,300,000	-	-	-	-	-	-	-	-	-	3,800,000
LSLR Pilot, Construction	-	-	140,820	-	-	60,790	40,520	-	-	-	-	-	700,000	942,130
LSLR Pilot, Consulting	-	250,000	-	-	-	-	-	-	-	-	-	-	-	250,000
LSLR Professional Support, Consulting	-	-	625,000	-	-	-	-	-	-	-	-	-	-	625,000
LSLR for SRF Program, Consulting	-	1,500,000	-	-	-	-	-	-	-	-	-	-	-	1,500,000
Other Transportation	1,628,000	-	-	-	-	-	-	400,000	-	1,650,000	-	250,000	512,000	4,440,000
<i>Major Projects</i>	728,000	-	-	-	-	-	-	-	-	-	-	-	512,000	1,240,000
Bus Stop ADA Improvements, Construction	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150,000
Bus Stop ADA Improvements, Phase III	50,000	-	-	-	-	-	-	-	-	-	-	-	-	50,000
Lincoln Street Bridge Replacement, Phase II	128,000	-	-	-	-	-	-	-	-	-	-	-	512,000	640,000
Traffic Signal, Central and Central Park, Construction	350,000	-	-	-	-	-	-	-	-	-	-	-	-	350,000
Traffic Signal, Central and Central Park, Phase III	50,000	-	-	-	-	-	-	-	-	-	-	-	-	50,000
<i>Annual Projects</i>	660,000	-	-	-	-	-	-	400,000	-	1,650,000	-	-	-	2,710,000
Alley Paving, Construction	650,000	-	-	-	-	-	-	400,000	-	1,650,000	-	-	-	2,700,000
Bridge Inspection, Consulting	10,000	-	-	-	-	-	-	-	-	-	-	-	-	10,000
<i>Sidewalk Projects</i>	240,000	-	-	-	-	-	-	-	-	-	-	250,000	-	490,000
Sidewalk - Safe Routes to School, Construction	150,000	-	-	-	-	-	-	-	-	-	-	250,000	-	400,000
Sidewalk - Safe Routes to School, Phase III	90,000	-	-	-	-	-	-	-	-	-	-	-	-	90,000
Parks	3,650,000	-	-	-	-	500,000	-	-	-	-	-	-	2,000,000	6,150,000
<i>Community Parks</i>	3,650,000	-	-	-	-	-	-	-	-	-	-	-	2,000,000	5,650,000
Beck Park Expansion/Shore School, Construction	2,300,000	-	-	-	-	-	-	-	-	-	-	-	1,000,000	3,300,000
Dog Beach ADA Accessibility, Construction	750,000	-	-	-	-	-	-	-	-	-	-	-	-	750,000
Public Canoe Launch (incl. Eco Cntr Parking Lot), Construction	500,000	-	-	-	-	-	-	-	-	-	-	-	1,000,000	1,500,000
Public Canoe Launch (incl. Eco Cntr Parking Lot), Consulting	100,000	-	-	-	-	-	-	-	-	-	-	-	-	100,000
<i>Neighborhood Parks</i>	-	-	-	-	-	500,000	-	-	-	-	-	-	-	500,000
Mason Park/Davis St Extension, Consulting	-	-	-	-	-	500,000	-	-	-	-	-	-	-	500,000
Facilities	250,000	-	-	-	-	-	-	-	-	-	-	-	-	250,000
<i>Facilities - Non-Legacy</i>	250,000	-	-	-	-	-	-	-	-	-	-	-	-	250,000
Citywide Building Automation Systems Upgrade, Construction	250,000	-	-	-	-	-	-	-	-	-	-	-	-	250,000
Miscellaneous	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150,000
Environmental Justice Initiative Study, Study	150,000	-	-	-	-	-	-	-	-	-	-	-	-	150,000
Water Treatment, Billing and Storage	-	2,325,000	-	8,213,085	-	-	-	-	-	-	11,001,000	-	-	21,539,085
36"/42" Intake Replacement, Construction	-	-	-	4,913,085	-	-	-	-	-	-	10,601,000	-	-	15,514,085
36"/42" Intake Replacement, Consulting	-	-	-	-	-	-	-	-	-	-	400,000	-	-	400,000
4160V Electrical System Reliability, Construction	-	-	-	3,000,000	-	-	-	-	-	-	-	-	-	3,000,000
4160V Electrical System Reliability, Consulting	-	-	-	300,000	-	-	-	-	-	-	-	-	-	300,000
Pump Station Dehumidification, Construction	-	300,000	-	-	-	-	-	-	-	-	-	-	-	300,000
Shoreline Improvements, Construction	-	1,000,000	-	-	-	-	-	-	-	-	-	-	-	1,000,000
Standpipe Water Quality, Construction	-	750,000	-	-	-	-	-	-	-	-	-	-	-	750,000
Standpipe Water Quality, Consulting	-	75,000	-	-	-	-	-	-	-	-	-	-	-	75,000
Corrosion Control Improvements, Consulting	-	200,000	-	-	-	-	-	-	-	-	-	-	-	200,000
Grand Total	7,109,000	6,895,000	965,820	10,513,085	830,000	560,790	40,520	400,000	2,557,185	1,650,000	11,001,000	250,000	3,572,000	46,344,400

**Proposed 2025 Capital Improvement Program
Prioritized Projects that are New in 2025**

	2025 GO Bonds	Other Funding	TOTAL FUNDING	Annual Investment	Significant Non-GO Bond Funding	Immediate Life Safety Impr	Regulatory Requirement	Building Envelope	Legacy Project
Street Resurfacing, Water Main, and Sewer	-	13,541,000	13,541,000						
Street Resurfacing	-	1,500,000	1,500,000						
Street Resurfacing Annual Program, Construction	-	1,500,000	1,500,000	Yes	Yes				
Water Main	-	10,131,000	10,131,000						
Annual Water Main Replacement, Construction	-	8,008,000	8,008,000	Yes	Yes				
Emergency Water Main Repair, Construction	-	100,000	100,000	Yes	Yes	Yes			
Hydrant Painting, Construction	-	100,000	100,000		Yes				
LSLR for Annual Water Main Replacement, Construction	-	1,593,000	1,593,000	Yes	Yes		Yes		
LSLR for Annual Water Main Replacement, Consulting	-	330,000	330,000	Yes	Yes		Yes		
Sewer Rehabilitation	-	1,910,000	1,910,000						
CIPP Rehabilitation, Construction	-	795,000	795,000	Yes	Yes				
CSO Outlet Rehab, Phase II	-	200,000	200,000		Yes				
Drainage Structure Lining, Construction	-	200,000	200,000	Yes	Yes				
Emergency Sewer Repairs, Construction	-	100,000	100,000	Yes	Yes				
Sewer Repairs on WM/Street Projects, Construction	-	215,000	215,000	Yes	Yes				
Stormwater Improvements, Construction	-	400,000	400,000	Yes	Yes				
Other Transportation	1,570,000	565,000	2,135,000						
Major Projects	230,000	155,000	385,000						
Divvy Bike Expansion, Construction	230,000	155,000	385,000		Yes				
Annual Projects	690,000	110,000	800,000						
General Phase I Engineering, Phase I	30,000	60,000	90,000	Yes	Yes				
Streetlight LED Conversion, Construction	-	50,000	50,000	Yes	Yes				
Streetlight Pole and Fixture Replacement, Construction	300,000	-	300,000	Yes					
Traffic Calming, Bicycle & Ped Improvements, Construction	360,000	-	360,000	Yes					
Sidewalk Projects	650,000	300,000	950,000						
Sidewalk Gap Infill, Construction	300,000	150,000	450,000	Yes					
Sidewalk Improvement Program, Construction	350,000	150,000	500,000	Yes					
Parks	3,930,000	1,250,000	5,180,000						
Community Parks	1,950,000	800,000	2,750,000						
Fountain Square Improvements, Construction	1,700,000	800,000	2,500,000		Yes				
Fountain Square Improvements, Consulting	250,000	-	250,000		Yes				
Investment and Modernization	1,730,000	450,000	2,180,000						
ADA Improvements in Parks, Construction	110,000	-	110,000	Yes			Yes		
Court Rehabilitation, Construction	200,000	-	200,000	Yes					
Fence Replacement (Various Parks), Construction	110,000	-	110,000	Yes					
Parks Contingency, Construction	110,000	-	110,000	Yes					
Parks Lighting Modernization, Construction	300,000	-	300,000	Yes					
Pathway improvements, Construction	300,000	-	300,000	Yes					

Playground Equipment Replacement, Construction	600,000	450,000	1,050,000	Yes	Yes	
Neighborhood Parks - Legacy	250,000	-	250,000			
Cartright Park Renovations, Consulting	150,000	-	150,000			Yes
Fitzsimons Park Renovations, Consulting	100,000	-	100,000			Yes
Facilities	5,275,000	2,600,000	7,875,000			
Facilities - Legacy	2,800,000	-	2,800,000			
Service Center - Various Roofs, Construction	1,600,000	-	1,600,000			Yes Yes
Police/Fire HQ Improvements, Consulting	400,000	-	400,000			Yes
Service Center - Electrical, HVAC, domestic water Improvements, Consulting	800,000	-	800,000			Yes
Facilities - Non-Legacy	675,000	2,400,000	3,075,000			
Chandler - Building Envelope and Drainage Improvements, Construction	400,000	-	400,000			Yes
Crown Kiln Room/SW Hallways HVAC Improvements, Construction	200,000	-	200,000	Yes		
Crown Kiln Room/SW Hallways HVAC Improvements, Consulting	75,000	-	75,000	Yes		
Parking Garages - Church Elevators, Construction	-	175,000	175,000	Yes		
Parking Garages - Gate Controls, Construction	-	1,500,000	1,500,000	Yes		
Parking Garages - Maple - HVAC/Electrical Evaluation, Consulting	-	175,000	175,000	Yes		
Parking Garages - Sherman - Structural Inspection, Construction	-	200,000	200,000	Yes		
Parking Garages - Sherman Fire Panel/System Upgrade, Construction	-	350,000	350,000	Yes	Yes	
Investment and Modernization	1,800,000	200,000	2,000,000			
Citywide Roof Repairs (locations to be determined), Construction	600,000	200,000	800,000	Yes		Yes
Facilities Contingency, Construction	600,000	-	600,000	Yes		
Facilities Lighting Modernization, Construction	300,000	-	300,000	Yes		
ADA Improvements in Facilities, Construction	300,000	-	300,000	Yes		Yes
Miscellaneous	1,080,000	150,000	1,230,000			
City Fleet Charging Infrastructure, Construction	150,000	-	150,000	Yes		
City Solar Infrastructure, Construction	200,000	-	200,000	Yes		
Fiber Optic System Upgrades, Construction	500,000	-	500,000	Yes		
Public Vehicle Charging Stations, Construction	200,000	150,000	350,000	Yes	Yes	
Public Art, Construction	30,000	-	30,000	Yes		
Water Treatment, Billing and Storage	-	3,425,000	3,425,000			
CL to Hypo Conversion, Consulting	-	100,000	100,000	Yes		
Fire Sprinkler System Study, Consulting	-	75,000	75,000	Yes		
Retail Water Meter Replacement Program Phase 2 & MIU, Construction	-	2,000,000	2,000,000	Yes		
Security Fence, Consulting	-	200,000	200,000	Yes		
Filter Plant Reliability, Consulting	-	800,000	800,000	Yes		
Pumping Locker Room Improvements, Consulting	-	50,000	50,000	Yes		
Shoreline Improvements, Consulting	-	200,000	200,000	Yes		
Library	-	1,900,000	1,900,000			
Library Roof Replacement, Construction	-	1,900,000	1,900,000	Yes		
Grand Total	11,855,000	23,431,000	35,286,000			

Proposed 2025 Capital Improvement Program Non-Prioritized Projects that are New in 2025

	2025 GO Bonds	Other Funding	TOTAL FUNDING
Street Resurfacing, Water Main, and Sewer	450,000	-	450,000
Major Projects	450,000	-	450,000
Lincoln Street, Sheridan to Green Bay Rd, Ped and Bike Impr, Phase I	450,000	-	450,000
Other Transportation	800,000	-	800,000
Sidewalk Projects	800,000	-	800,000
Sidewalk Grinding Program, Construction	50,000	-	50,000
Sidewalks, Benson from Davis to Clark, Construction	500,000	-	500,000
Sidewalks, Clark from Benson to Sherman, Construction	250,000	-	250,000
Parks	950,000	-	950,000
Community Parks	650,000	-	650,000
Pickleball Court Improvements, Construction	650,000	-	650,000
Neighborhood Parks	300,000	-	300,000
Grey Park - Dog Park Installation, Construction	300,000	-	300,000
Facilities	2,330,000	-	2,330,000
Facilities - Non-Legacy	2,330,000	-	2,330,000
Fire Station 3 - Interior Renovations (Kitchen, Finishes), Construction	400,000	-	400,000
Fire Stations 1 & 3 Locker Room Improvements, Construction	400,000	-	400,000
Fleetwood - East/North Site Improvements, Construction	400,000	-	400,000
Levy Center - Kitchen Upgrade, Construction	300,000	-	300,000
Levy Center - Kitchen Upgrade, Consulting	30,000	-	30,000
Municipal Storage Center - Renovation, Consulting	100,000	-	100,000
Park Fieldhouses Restrooms (Baker, Leahy), Construction	500,000	-	500,000
South End - HVAC Electrification, Consulting	200,000	-	200,000
Miscellaneous	300,000	-	300,000
City Network Disaster Recovery Infrastructure, Construction	300,000	-	300,000
Grand Total	4,830,000	-	4,830,000



Memorandum

To: Members of the Finance and Budget Committee
From: Hitesh Desai, Chief Financial Officer/Treasurer
CC: Clayton Black, Budget Manager
Subject: Discussion Regarding the FY 2025 Proposed Budget
Date: October 29, 2024

Recommended Action:
Discussion Only.

Committee Action:
For Discussion

Summary:
Staff will present and facilitate discussion on the FY 2025 Proposed Budget.

Legislative History:
This item was presented at the October 8, 2024, Finance & Budget Committee meeting.

The FY 2025 Proposed Budget is available on the City's website:
<https://www.cityofevanston.org/budget>



Memorandum

To: Members of the Finance and Budget Committee
From: Hitesh Desai, Chief Financial Officer/Treasurer
CC: Clayton Black, Budget Manager
Subject: Discussion Regarding Revenue and Expense Ideas
Date: October 29, 2024

Recommended Action:
Discussion Only.

Committee Action:
For Discussion

Summary:
Accompanying the FY 2025 Proposed Budget, staff published a list of alternate revenue and expense ideas ("menu of options") for the City Council's consideration. Staff will facilitate discussion on these ideas.

Attachments:
[FY 2025 Budget Revenue and Expense Ideas](#)

**FY 2025 Proposed Budget
Alternate Revenue and Expense Ideas
A "Menu of Options" to Assist in Balancing the FY 2025 Budget**

None of these options are included in the FY 2025 Proposed Budget

Fund	Department	Idea for Consideration	Revenue Increase	Expense Reduction	Summary
General Fund	All	Full/partial implementation of reduction exercise.		\$546,993	As part of the FY 2025 budget cycle, departments were asked to identify potential reductions to 3% of operating expenses (non-personnel & non-transfer). Many would result in an impact to services, but the exercise has been compiled by staff.
General Fund	CD	Review and increase permit fees	\$500,000		The department would undertake a comprehensive review of all fees and would increase them by an average of 10%, generating \$500,000.
General Fund	CD	Rental Program Registration and Reinspection Fees	\$227,200		This potential increase would require City Council action, but would implement fees for inspections and reinspections, and increase fees for registration/licensing for rental, vacation rental, and Shared Housing Providers.
General Fund	CMO	Increase percent of health insurance costs covered by City employees.		\$100,000	Increasing the employee portion of HMO and PPO plans by one percentage point would be about a \$100,000 reduction in the General Fund. Employees contribute 13% or 15% depending on the size and type of plan selected. This would move those percentages to 14% and 16% respectively.
General Fund	CMO	Increase the City's property tax levy.	\$1,000,000		Every \$1 million increase to the property tax levy represents a 1.7% increase to the tax levy or approximately \$40/year for a \$500,000 home.
General Fund	CMO	Increase in Wheel Tax	\$160,000		The City currently charges a \$90/vehicle Wheel Tax. A \$5 increase would generate \$160,000 and mirror the rate for a sticker in Chicago.
General Fund	CMO	Enforce late fees for Wheel Taxes	\$50,000		The City has suspended collection of late fees since the pandemic. With 2,000 late payers, the City would generate \$50,000 if it were to start enforcing these penalties.
General Fund	CMO	Utilization of Illinois Local Debt Recovery Program for parking tickets, ordinance violations, etc.	\$75,000		The State's LDROP program offers local governments, at no charge, the opportunity to collect unpaid debts through income tax returns. The City has \$65,625 in Police violations and \$178,975 in outstanding property standard violations as well as outstanding parking tickets that could be pursued through this program.
General Fund	COUNCIL MEMBER	Third Party Food Delivery Surcharge	\$125,000		This idea was proposed by Council Member Reid in 2023. A 1% tax could generate \$125,000. Staff has been unable to find other communities that charge this type of fee.
General Fund	COUNCIL MEMBER	Stormwater Drainage Fees	\$250,000		Would implement a stormwater drainage fee based on impervious parking surface areas.
General Fund	COUNCIL MEMBER	Vacant Property Fees	\$20,000		Would assess a fee on vacant parcels. Additional conversation is required on the scope of properties that would be assessed a fee.
General Fund	COUNCIL MEMBER	Recreation Center parking charge for non-residents	\$100,000		Has been considered by City Council in the past but was not approved.
Parking	COUNCIL MEMBER	Parking Utility Fee	\$800,000		This idea was proposed by Council Member Reid in 2023. As proposed, the fee structure would be tiered and implementation would be staggered starting with those areas of highest demand. With an estimated 33,000 subject to this fee instead of the current 4,500, the City could see an additional \$800,000 in revenue.

**FY 2025 Proposed Budget
Alternate Revenue and Expense Ideas
A "Menu of Options" to Assist in Balancing the FY 2025 Budget**

None of these options are included in the FY 2025 Proposed Budget

Fund	Department	Idea for Consideration	Revenue Increase	Expense Reduction	Summary
General Fund	Fire	Modification of Lifeguard Program		\$50,000	According to the City Manager/Budget team's request, the department has compiled 3 options to reduce beach hours: reduce one hour per day, eliminate one beach all summer, or close all beaches one day a week.
General Fund	HHS	Increase restaurant reinspection fee from \$114 to \$250	\$14,000		Revenue increase estimate based on FY24 reinspection numbers, and assumption that we would only charge in 25% of cases (reserving enforcement of fines for instances of flagrant violations/ repeat offenders).
General Fund	HHS	Increase Long Term Care License	\$60,000		This idea was proposed by Council Member Reid in 2023. Licensing fees for Evanston long term care facilities is provided in City Code, 8-12-2-2, License Procedures. Evanston charges an annual Long Term Care License Fee of \$600 per facility plus \$60 per licensed bed. A 50% increase to this fee would generate \$60,000 in revenue.
General Fund	Law	Delivery Fleet Tax	\$100,000		This idea was proposed by Council Member Reid in 2023. This fee would be assessed on delivery fleets that utilize city streets (i.e. Amazon). The fee would be assessed as a per-mile, volume-based, or license fee. Staff has been unable to find other communities that charge this type of fee.
General Fund	Law	Slight increases to Liquor License fees (10%)	\$50,000		Liquor license fees have not been increased in several years. A 10% increase would generate \$50,000.
General Fund	Law	Credit card convenience fees for Wheel Taxes, Parks and Recreation Programs, etc.	\$500,000		The City currently absorbs approximately \$500,000 in credit card fees for wheel taxes, Parks and Recreation programs, and permits/licenses. These charges could be passed along.
General Fund	Law	Administrative Adjudication Hearing Fees	\$150,000		The City could pass along the cost of the administrative adjudication program and charge a per hearing fee. Most communities in the region charge this type of fee. The program costs the City \$200,000 annually.
General Fund	Law	Enforcing late fees/penalties in home rule taxes	\$50,000		The City has taken a relaxed position on enforcing late fees and penalties in the collection of home rule taxes since the pandemic.
Parking	Parking	Increase Various Parking Citation Fines- Specifically Expired Meter	\$200,000		Issued 20,000 expired meter citations in 2022 and 32,000 in 2023. Current fine is \$25, Chicago and Skokie fine is \$50. \$10 increase is \$200K to \$400K in new revenue.
Parking	Parking	Increase Surface Lot Permits	\$100,000		Surface Lot Permits are currently \$90/month and have not been increase in at least six years. 500-550 permits issued monthly.
Parking	Parking	Increase City-Wide Meter Rates	\$350,000		Every \$.25/hour incremental increase to parking meter fees would result in another \$350,000 in revenue.

**FY 2025 Proposed Budget
Alternate Revenue and Expense Ideas
A "Menu of Options" to Assist in Balancing the FY 2025 Budget**

None of these options are included in the FY 2025 Proposed Budget

Fund	Department	Idea for Consideration	Revenue Increase	Expense Reduction	Summary
Parking	Parking	Increase Residential Parking Permits	\$100,000		In order to park in one of the City's more than 25 residential districts, the City currently requires the purchase of an annual Residential Parking Permit at a rate of \$30 per year. These rates have not been increased in at least 10 years. A \$20 increase would result in approximately \$100,000 in additional revenue.
Parking	Parking	Issue Live Street Cleaning Tickets Instead Of Warnings in Month of March	\$225,000		Average 3,000-3,500 warning tickets every March, if live citations each warning would be assessed \$75 fine
Parking	Parking	Pass through Credit Card Fees	\$400,000		The city currently pays \$500,000 in parking related credit card fees that can be passed along to the users
Parking	Parking	Increase meter rates on lakefront	\$75,000		Evanston residents with paid wheel tax don't pay for this-only out of town visitors
Parking	Parking	Raise fees in Parking Garages for transient parkers	\$100,000		Currently fees are less than metered street parking. Increase rate band by \$1.00 between 2 -24 hours.
General Fund	Police	Overtime for Community Events	\$50,000		Charge overtime for organized community events that require a police presence.
General Fund	PRCS	Review and increase program and rental fees	\$500,000		The department would undertake a comprehensive review of all fees and would increase them by an average of 7%, generating \$500,000. Program fees for programs \$500+ would increase by 5% while programs less than \$500, facility rentals, and park rentals would increase by 10%.
General Fund	PRCS	Implement a fieldhouse rental program	\$10,000		The department would start with Lovelace, Mason, Lagoon, and James.
General Fund	PRCS	Additional special event permits	\$5,000		Permits for bounce house, stage, and carriage rides.
Human Services Fund	PRCS	Mayor's Summer Youth Program		\$145,000	Will reduce the number of youth participating in MSYEP to only those who are hired internally by PRCS Department. This will eliminate all youth employees for external employers
General Fund	PWA	Increase to Right of Way Permits	\$30,000		General 10% increase to right of way permits.
General Fund	PWA	Field Services Manager Position		\$190,406	Not approve request for Field Services Manager position.
Sustainability	Sustainability	Benchmarking Submission Fee	\$10,000		500 Buildings submit \$20 annually when they submit their benchmarking data.
Sustainability	Sustainability	Bag Tax Amendment	\$200,000		The City currently brings in approximately \$200,000 per year from the Bag Tax. Doubling this tax would generate an additional \$200,000 in revenue.