

Introduction

The preparation and adoption of a Capital Improvements Program (CIP) is an important part of Hanover Township's planning process. A CIP aims to recognize and resolve deficiencies in existing public facilities and anticipate and meet future demand for capital facilities. A CIP is a multi-year schedule that lays out a series of Township projects and their anticipated associated costs. Over the five year period considered by the CIP, it shows how the Township should plan to expand or renovate facilities and services to meet the demands of existing and new residents and businesses.

A CIP is an advisory document that can serve a number of purposes, including:

1. Guide the Township Board and administration in the annual budgeting process;
2. Aid in prioritization, coordination, and sequencing of capital improvements;
3. Inform residents, business owners, and developers of planned improvements

Overview

Submitted for consideration is the Capital Improvements Program for the Fiscal Years 2016-2017 through 2020-2021. This document identifies long term needs and proposes a multi-year financial plan for them. The Township of Hanover has a long standing commitment to quality public services and thoughtful planning. The Capital Improvements Program formalizes that commitment and provides for orderly and appropriately financed growth of Township facilities. It is a financial tool that allows the Town Board to take a long range view of the organization's needs. This process will serve the organization as part of a larger ongoing strategic planning effort.

Beginning in the summer, the Town staff review the projects included in the current Capital Improvements Program, update the costs and status of those projects, and identify new projects to be included. The department submissions are reviewed, and project budgets and schedules are adjusted accordingly. The Town Board reviews the five-year program in the early fall, allowing an opportunity for additions, deletions, or amendments. This allows staff-time to incorporate the new year's projects into the upcoming budget development process. This early review will likely also afford the Township an opportunity to bid construction projects early in the year, keeping costs down and completion timely.

The five-year Capital Improvements Program for 2017-2021 totals \$2,168,000. These funds will be dedicated to developing the 11 acres that surround the Izaak Walton Center. Other projects include improvements to the Senior Center, Lenoci Reserve, and Town Hall. The parking lots of the Senior Center and Town Hall will also be reconstructed and expanded in FY 2017. In addition to grants, funding will come from transfers from the Town Fund and Senior Fund, as well as Capital Fund reserves. The chart on the following page shows anticipated annual expenditures proposed in the 2017-2021 programs. Capital expenditures can be expected to vary significantly from one year to the next.

Capital Improvements Program



Hanover Township

5+ Year Capital Improvement Plan (CIP)

(April 1, 2016)

Project	FY 17	FY 18	FY 19	FY 20	FY 21	Total
<i>Parking Lot Reconstruction (Town Hall)</i>	\$ 250,000					\$ 250,000
<i>Parking Lot Reconstruction (Senior Center)</i>	\$ 150,000					\$ 150,000
<i>Parking Lot Expansion</i>	\$ 75,000					\$ 75,000
<i>Senior Center Improvements</i>	\$ 40,000		\$ 50,000			\$ 90,000
<i>Izaak Walton Reserve Improvements</i>	\$ 25,000					\$ 25,000
<i>Lenoci Reserve Improvements</i>	\$ 40,000	\$ 40,000				\$ 80,000
<i>Youth and Family Services Renovations</i>	\$ 40,000					\$ 40,000
<i>Maintenance Garage Roof Replacement</i>	\$ 15,000					\$ 15,000
<i>Downey Hall Renovations</i>	\$ 17,000					\$ 17,000
<i>Town Hall RTU Replacement</i>		\$ 16,000		\$ 16,000		\$ 32,000
<i>Town Hall Entrances</i>		\$ 19,000				\$ 19,000
<i>Izaak Walton Parking Lot Expansion and Resurfacing</i>		\$ 200,000				\$ 200,000
<i>Izaak Walton Reserve Master Plan</i>		\$ 100,000	\$ 450,000			\$ 550,000
<i>Town Hall Renovations</i>			\$ 250,000	\$ 250,000		\$ 500,000
<i>Miscellaneous Minor Improvements</i>	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
Total Per Fiscal Year	\$ 677,000	\$ 400,000	\$ 775,000	\$ 291,000	\$ 25,000	\$ 2,168,000

Funding Summary	FY 17	FY 18	FY 19	FY 20	FY 21	Total
<i>Grants</i>	\$ 1,000	\$ -	\$ 200,000	\$ -	\$ -	\$ 201,000
<i>Property Tax Revenue- Senior Fund</i>	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<i>Property Tax Revenue- Town Fund</i>	\$ 626,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 25,000	\$ 1,101,000
<i>Property Tax Revenue- Capital Fund Reserve</i>	\$ -	\$ 250,000	\$ 425,000	\$ 141,000	\$ -	\$ 816,000
Total Funding	\$ 677,000	\$ 400,000	\$ 775,000	\$ 291,000	\$ 25,000	\$ 2,168,000

Financing Methods

Hanover Township has limited financing options. These options include funding from current revenue, often referred to as pay-as-you-go. The vast majority of annual revenue to the Township is from local property tax revenue, the bulk of which funds operating expenses such as salaries and utilities. A larger portion of these funds could be set aside each year for capital expenditures purposes. A second option is to fund the improvements through the working fund reserves, which represent savings by the Township over time in each of the Township's several funds.

Debt financing, often referred to as pay-as-you-use, is another option available for consideration. The Town Board has historically been reluctant to use this source of financing, except for short-term borrowing. The Township is limited by state statute and practice from considering other forms of revenue including sales tax, impact fees, and significant user fees.

Another major source of revenue for financing capital projects are grants. The Township has successfully applied for several Community Development Block Grants from the federal government through Cook County. A variety of county, state, federal, and private grants are available for application and the Township has been actively pursuing these opportunities. A mixture of financing methods including current revenue, fund reserves, grants, and borrowing will likely be required for any significant projects.

FY 2017 Highlights

Although the Capital Improvements Program anticipates expenditures over a five year period, the immediate focus is on Fiscal Year 2016-2017, which is referred to as the Capital Budget. These projects are part of the operating budget that will be approved by the Town Board. For Fiscal Year 2017, the Town Board has allocated up to \$1,560,000 to be expended on capital improvements. The \$1,560,000 will be derived from local property tax revenues and reserves. These funds are to be budgeted on the following primary projects; parking lot reconstruction and expansion for the Senior Center and Town Hall, further developments to the Naomi Walter's-Ienoci Reserve, Izaak Walton Center parking lot resurfacing/expansion and reserve enhancements, and Senior Center improvements.

Project: *Parking Lot Reconstruction (Town Hall)*



Description: In FY 2017, the parking lot in front of the Town Hall is scheduled for reconstruction. The existing parking lot serving the Town Hall is in significant disrepair. Considerable reconstruction is required, including new asphalt paving, sealing, striping, sidewalks, curbs and a retaining wall surrounding the exterior of the building.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Senior Center Parking Lot Reconstruction*



Description: The existing parking lot serving the Senior Center is in need of significant repairs. The parking lot, originally constructed in 2004, included underground drainage, which had led to significant cracking, depressions, and other damage. The reconstruction would include new asphalt, sealing, striping, and concrete reinforcements to the storm sewers.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Parking Lot Expansion*



Description: At the request of Senior Center users and increased demand due to the build out of the lower level of the Senior Center, there is a need for expansion of the parking lot on the main Township campus. In consulting with an engineer, the lowest cost alternative is to add parking spaces on both sides of the connecting road between the Town Hall and the Senior Center. This would add 26 spaces. This project is targeted for completion in FY 2017.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Senior Center Improvements*



Description: The Senior Center was built in 2004 and opened to the public in 2005. The carpet in the main community areas including the lobby, library, hallways to programming rooms, and Veterans Hall will need to be replaced due to age and volume of foot traffic. Additional improvements include new counter tops in the art room. These projects are targeted for completion in FY 2017.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operating budget.

Project: *Izaak Walton Reserve Improvements*



Description: The Izaak Walton Property was acquired by the Township in FY 2013, and consists of 11 acres of wooded land that includes a lodge built in the 1940's. Over the last two fiscal years, the lodge has been remodeled and brought up to date. A portion of the 11 acre property lies adjacent to the lodge on the other side of a creek. This portion is heavily wooded and is unusable in its current state. Enhancements to this portion of the property include adding a network of trails and designing/creating an archery range for resident use. The final improvement scheduled for FY 2017 includes the planting of various flowers and plants natural to northern Illinois, around the lodge to improve the esthetics and keep true to the history of the property.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: Naomi Walter's-Lenoci Reserve Improvements

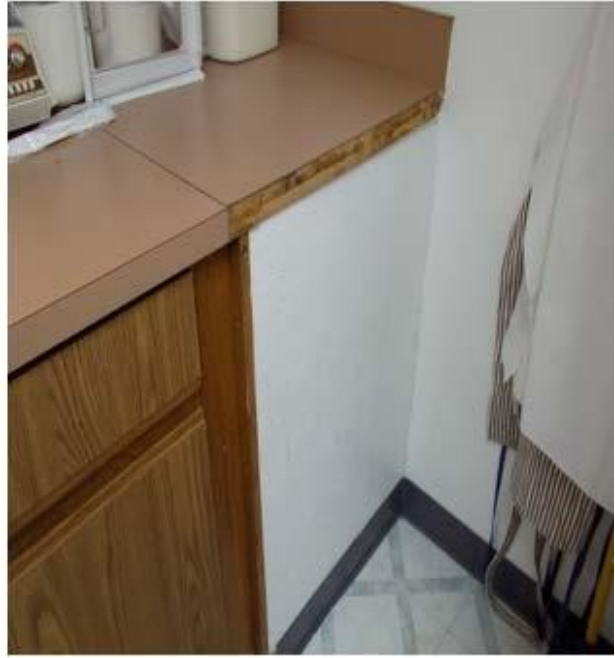


Description: The Township acquired the Lenoci Reserve property in FY 2014, which consists of 2.8 acres, including a playground area. The primary use of the property will remain as a park for area residents, with other multi-use programming offered. The Township replaced playground equipment in FY 2015 and resurfaced the walking path on the property in FY 2016. In FY 2017, improvements will include adding a community water source on the property so residents enjoying the reserve have access to potable water, the addition of community garden boxes and other flowers and plantings added around the reserve.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Youth and Family Services Renovations*



Description: The Youth and Family Services portion of the Town Hall building predates the 1985 addition. Since this time, the department has grown and added additional services for the Townships residents. For this reason, along with the age of the building, improvements and renovations to the departments section of the Town Hall building are essential. Improvements include updating office spaces, refurbishing the entryway/foyer, renovating the kitchen and improving technological components in the department. Technological improvements include updating WIFI access points and employing more sound dampening measures to help ensure the privacy of therapy clients.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Maintenance Garage Roof Replacement*



Description: The maintenance garage, located behind the Town Hall building, houses the offices of three maintenance staff members, the department's equipment and acts as additional storage space for Emergency Services and Transportation vehicles. The garage roof has reached its expected lifespan and the most cost effective option for the long term is to replace the existing roof. This project only covers the garage portion of the building. The office space attached to the left side of the garage was an addition to the main building and is not in need of a roof replacement at this time. This project is targeted for completion in FY 2017.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Downey Hall Renovations*



Description: Downey Hall is a multipurpose room located in Town Hall, which was previously the location of the Town's board meetings and is now used to host meetings and programs. Renovations would include new floor coverings, layout adjustment, paint and new furniture and fixtures. These renovations are designed to update the room and help make it more suitable to the new demands placed on it. This project is targeted for completion in FY 2017.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Town Hall RTU Replacement*



Description: The RTU (Roof Top Unit) is designed to supply a building with heat and air conditioning. The average life span of an RTU is roughly 15 to 20 years. A plan has been implemented to replace one RTU every two years, until all the old units have been replaced.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Capital Improvements Program

Project: Town Hall Entrance



Description: Continued improvements to the Town Hall building include renovations to the entrances of the building. Renovations will include two sets of doors for the Youth and Family Services and Administration entrances, as well as three rear and side entry doors. This project is proposed to be completed in FY 2018.

Proposed Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: Izaak Walton Center parking lot

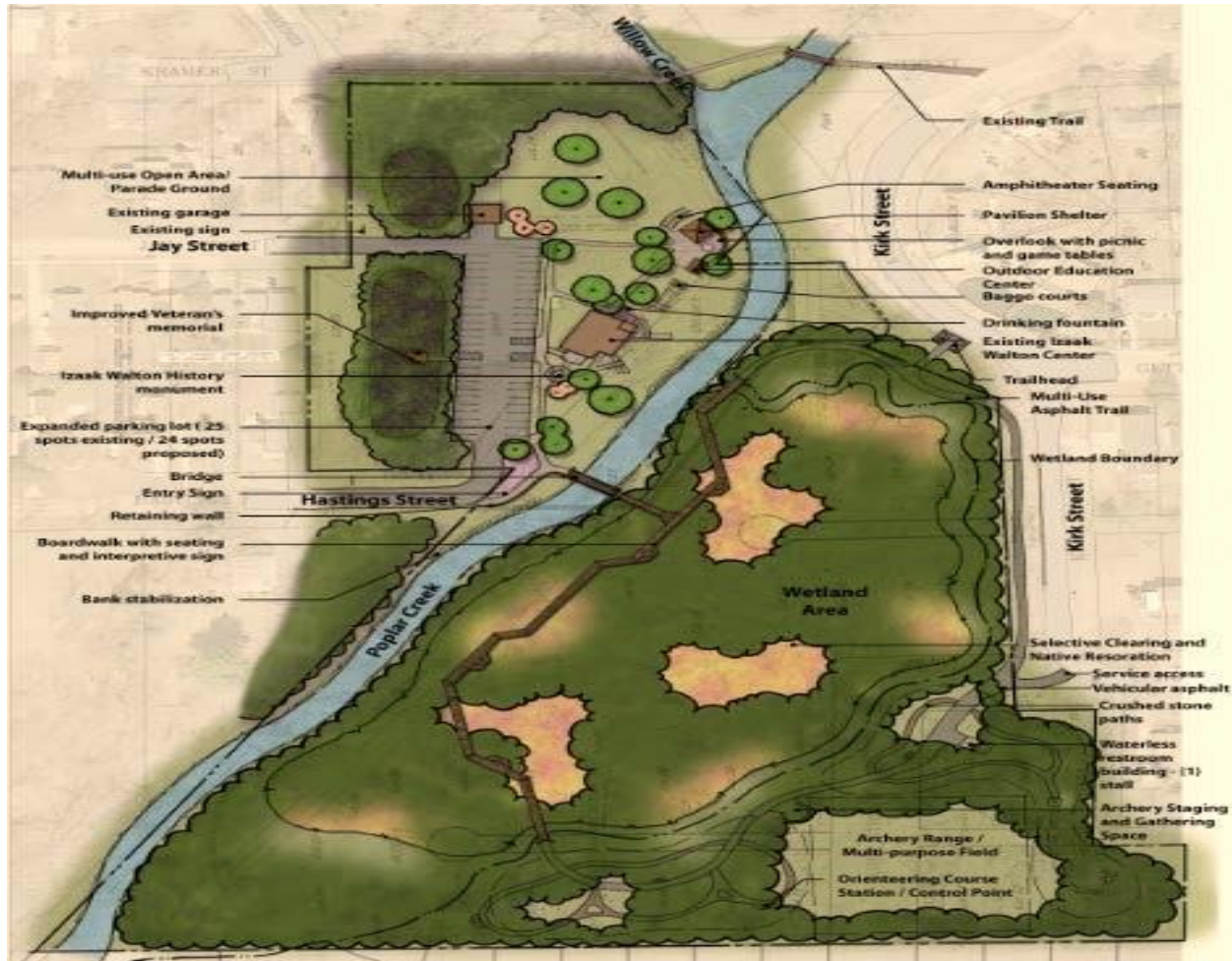


Description: The Izaak Walton Center and Reserve has been in need of parking lot repair and expansion since it was acquired in FY 2013. Currently, the parking lot has enough spaces for 27 cars, but will need to expand to accommodate the growth of Township services delivered through the center, which include Township department programming and community events. The project is targeted for completion in FY 2017.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: Izaak Walton Center and Reserve Master Plan



Description: The Izaak Walton Center and Reserve was acquired in FY 2013 and by FY 2016, a master plan for the property was developed. The master plan was designed to make the lodge and property it sits on, more useable for the Townships residents. Improvements included upgraded paths through the wooded portion of the site, a board walk surrounding the reserve, and a walking/bicycling bridge crossing the creek which will connect the two halves of the property. Additional improvements will include wetland enhancement/restoration.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget.

Project: *Town Hall Improvements*



Description: The Town Hall building is over thirty years old and will soon need significant repairs to keep it in good condition. Repairs and replacements will include a new roof, replacement and redesign of the fascia material, new windows and improvements to the layout of the interior. Improvements made will keep the building safe, help prevent major structural repairs and make it more energy efficient.

Projected Impact on Operational Budget:

- This project will have no estimated impact on the operational budget