



Village of Hanover Park Administration

Municipal Building
2121 Lake Street
Hanover Park, IL 60133-4398

630-823-5600
FAX 630-823-5786
www.hpil.org

PRESIDENT
RODNEY S. CRAIG

VILLAGE CLERK
EIRA CORRAL

TRUSTEES
WILLIAM CANNON
JAMES KEMPER
JON KUNKEL
HERB PORTER
RICK ROBERTS
LISA TROUSDALE

VILLAGE MANAGER
JULIANA A. MALLER

VILLAGE OF HANOVER PARK **PUBLIC NOTICE OF** **SPECIAL VILLAGE BOARD WORKSHOP MEETING**

Public Notice is hereby given pursuant to the Open Meetings Act - Illinois Compiled Statutes, Chapter 5, Act 120, Section 1.01 (5 ILCS 120/1.01 et seq.) that the

Board of Trustees of the Village of Hanover Park

SHALL MEET IN A SPECIAL WORKSHOP ON *Thursday, February 4, 2016 at 6:00 P.M.* AT THE

Municipal Building at 2121 Lake Street, Hanover Park, IL 60133, Room 214. The purpose of the meeting is to hold a special Workshop meeting of the Village Board.

Agenda Attached

Posted on : 1/29/16
(Date)

Eira L. Corral Sepúlveda, Village Clerk



Village of Hanover Park Administration

Municipal Building
2121 Lake Street
Hanover Park, IL 60133-4398

630-823-5600
FAX 630-823-5786
www.hpil.org

PRESIDENT
RODNEY S. CRAIG

VILLAGE CLERK
EIRA CORRAL

TRUSTEES
WILLIAM CANNON
JAMES KEMPER
JON KUNKEL
HERB PORTER
RICK ROBERTS
LISA TROUSDALE

VILLAGE MANAGER
JULIANA A. MALLER

VILLAGE OF HANOVER PARK

VILLAGE BOARD SPECIAL WORKSHOP MEETING Municipal Building: 2121 W. Lake Street Hanover Park, IL 60133

Thursday, February 4, 2016
6:00 p.m.

AGENDA

1. CALL TO ORDER-ROLL CALL
2. ACCEPTANCE OF AGENDA
3. DISCUSSION ITEMS
 - a. IMS has performed the testing and analysis of the Village's entire street pavement network and will present the results to the Village Board. The Village Board is asked to accept the study and direct staff to incorporate results into a 10-year road construction/maintenance plan.
 - b. Review of TIF Request Funding for Senior Housing Development Proposal at 900 Irving Park Road.
4. ADJOURNMENT



TO: Village President and Board of Trustees

FROM: Juliana Maller, Village Manager
T. J. Moore, Director of Engineering and Public Works

SUBJECT: Roadway Testing Services by Infrastructure Management Services (IMS)

ACTION

REQUESTED: Approval Concurrence Discussion Information

MEETING DATE: February 4, 2016 – Board Workshop

Executive Summary

Attached is a report from Infrastructure Management Systems (IMS) as to the condition and analysis of the Village's entire street pavement network.

Discussion

Using IMS, an engineering consultant that specializes in pavement evaluations, the Village completed a comprehensive study based on the following program elements:

- Surface Condition Analysis – Used a truck-mounted laser road surface tester to evaluate the surface condition of all streets.
- Deflection Testing – Using a Dynaflect machine, the pavement strength was evaluated through non-destructive testing, also determining the interaction between the base and subgrade sections.
- Pavement Management Software Program – This program allows the Village to manage and interpret the collected data in a variety of “what if” scenarios, which will help to determine the best overall maintenance program. The program will also evaluate budgetary scenarios, providing useful information on upcoming fiscal requirements.
- Global Positioning System (GIS) and Pavement Management – Collected data can be used with our current GIS program to produce color maps, based on existing pavement conditions or street rehabilitation plans. Queries can also be made of future infrastructure rehabilitation programs to better plan and manage resources.
- Photo imaging of all Village roadways and parkways.

Recommended Action

IMS has performed the testing and analysis of the Village's entire street pavement network and will present the results to the Village Board. The Village Board is asked to accept the study and direct staff to incorporate results into a 10-year road construction/maintenance plan.

Attachments: Report

Agreement Name: _____

Executed By: _____ Board Workshop February 4, 2016 Page 3/38

HANOVER PARK, ILLINOIS PAVEMENT MANAGEMENT REPORT

January, 2016

Prepared By
David E. Butler P.E.



IMS Infrastructure Management Services
1775 Winnetka Circle, Rolling Meadows, IL 60008
Phone: (847) 506-1500, Fax: (847) 255-2938
www.ims-rst.com

TABLE OF CONTENTS

TABLE OF CONTENTS	I
1.0 PROJECT DESCRIPTION	1
1.1 Principles of Pavement Management	1
1.2 The Purpose of Pavement Management	3
1.3 The Pavement Management Process	4
1.5 Understanding the Pavement Condition Score	7
2.0 PAVED NETWORK CONDITION AND FINDINGS	8
2.1 Roadway sections Investigated	8
2.2 Network Present Condition	9
2.3 Present Condition by Functional Class	11
2.4 Reconstruction Backlog	12
3.0 REHABILITATION PLAN AND BUDGET DEVELOPMENT	13
3.1 Pavement Management Methods	13
3.2 Rehabilitation Unit Rates	13
3.3 Do Nothing, Fix All and Budget Analysis Comparison	14
3.4 Budget Analysis	15
3.5 Network Recommendations and Comments	156
APPENDED REPORTS	Following Page 16
Appendix A	Street and Block Inventory (Alphabetical Order)
Appendix B	Priority List (Best to Worst Order)
Appendix C	Detailed and Overview Condition Report (Alphabetical Order)
Appendix D	Strategy and Pavement Improvement Report (Alphabetical Order)
Appendix E	Management Reports

List of Acronyms and Abbreviations

Abbreviation or Acronym	Definition
\$M	Dollars in millions
ACP	Asphalt Concrete Pavement - asphalt streets
ART	Arterial roadway functional classification
ASTM	American Society of Testing Methods
Brk	Break
CAL	Coarse Aggregate Loss
CDV	Corrected Deduct Value
COL	Collector roadway functional classification
Crk	Crack
DeflCON	Deflection Condition - structural load analysis
Dvdd Slab	Divided Slab
DynaCON	Dynamic Condition - structural layer analysis
ft or FT	Foot
ft2 or FT2	Square foot
FunCL	Functional Classification
FWD	Falling weight deflectometer
GCI	Gravel Condition Index
GFP	Good - Fair - Poor
GIS	Geographic Information System
GISID	GIS segment identification number
H&V	Horizontal and Vertical
IRI	International Roughness Index
Jt	Joint
L&T	Longitudinal and Transverse
LAD	Load associated distress
LOC	Local roadway functional classification - same as RES
LOG	Lip of Gutter
m	metre
m2	sqare metre
M	Moderate
MaxDV	Maximum Deduct Value
mi or Mi	Mile
MnART	Minor arterial roadway functional classification
MOD	Moderate
NLAD	Non-load associated distress
OCI	Overall condition index, also known as PCI
Olay	Overlay
PCC	Portland Cement Concrete - concrete streets
PCI	Pavement Condition Index - generic term for OCI
R&R	Remove and replace
Recon	Reconstruction
Rehab	Rehabilitation
RES	Local roadway functional classification - same as LOC
RI or RCI	Roughness Index
S	Strong
SDI	Surface Distress Index
SI	Structural Index
STA	Station or chainage
Surf Trtmt	Surface Treatment
TDV	Total Deduct Value
W	Weak

1.0 PROJECT DESCRIPTION

1.1 PRINCIPLES OF PAVEMENT MANAGEMENT

Nationwide, billions of dollars have been invested in roadway networks by municipal, province and federal governments. Locally, the Village of Hanover Park has in excess of 84 center line miles on approximately 1,371,158 square yards of paved roadways. Preservation of existing road and street systems has become a major activity for all levels of government. There is a shortage of funds to maintain street systems at the province and local government levels. Funds that have been designated for pavements must therefore be used as effectively as possible. One proven method to obtain maximum value of available funds is through the use of a pavement management program. The PavePRO pavement management system was used for the analysis for The Village of Hanover Park. Pavement management is the process of planning, budgeting, funding, designing, constructing, monitoring, evaluating, maintaining, and rehabilitating the pavement network to provide maximum benefits for available funds. A pavement management system is a set of tools or methods that assists decision makers in finding optimum strategies for providing and maintaining pavements in a serviceable condition over a given time period.

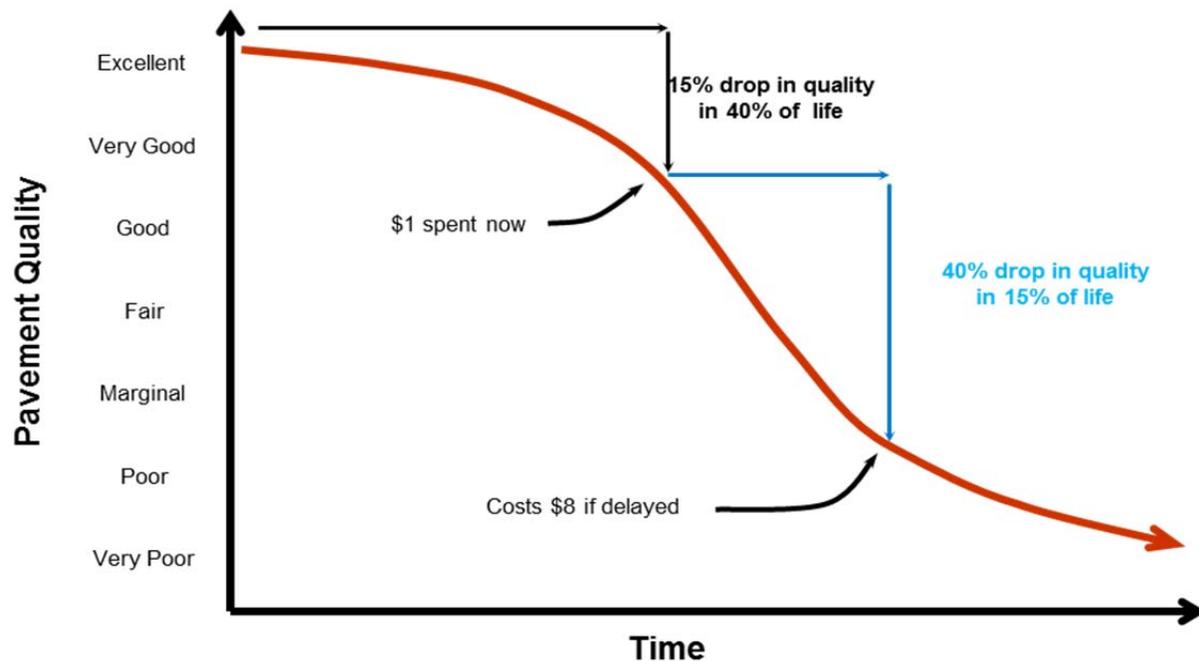


Figure 1 – Pavement Deterioration and Life Cycle Costs

As shown in Figure 1, streets that are repaired when they are in a good condition will cost less over their lifetime than streets that are allowed to deteriorate to a poor condition. Without an adequate routine pavement repair program, streets require more frequent reconstruction, thereby costing millions of extra dollars.

Over time pavement quality drops, until the pavement condition becomes unacceptable. The condition of each street is dependent on many factors – foremost of which are the strength or the roadway structure and traffic loading. The key to a successful pavement management program is to develop a reasonably accurate performance model of the roadway, and then identify the optimal timing and rehabilitation strategy. The resultant benefit of this exercise is realized by the long term cost savings and increase in pavement

quality over time. As illustrated in Figure 1, pavements typically deteriorate rapidly once they hit a specific threshold. A \$1 investment after 40% lifespan is much more effective than deferring maintenance until heavier overlays or reconstruction is required just a few years later.

Once implemented, an effective pavement management system can assist agencies in developing long-term rehabilitation programs and budgets. The key is to develop policies and practices that follow the pavement life cycle curve to delay the inevitable total reconstruction for as long as practical yet still remain within the target zone for cost effective rehabilitation.

That is, as each roadway approaches the steep part of its deterioration curve, apply a remedy that extends the pavement life - at a minimum cost, thereby avoiding costly reconstruction. Thus, the goal of a pavement management system is to identify the optimal level of funding, timing, and renewal strategy agencies should adopt to keep their roadway network at a satisfactory level of service. Figure 2 illustrates the concept of extending pavement life through the application of timely rehabilitation activities.

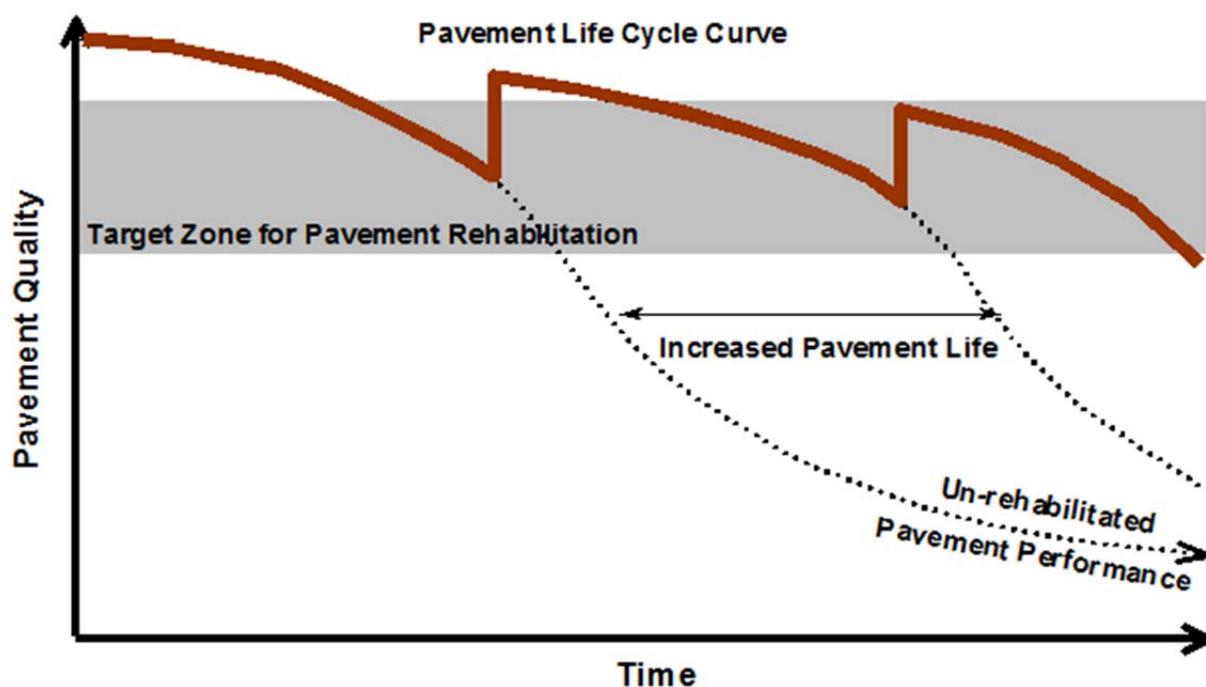


Figure 2 – Pavement Life Cycle Curve

Other functions of a pavement management system include:

- Provide a means to store an accurate inventory of all streets owned and or managed by the agency. An up to date inventory is a crucial foundation to a pavement management information system.
- Provide a means to store roadway and construction history including the year of rehabilitation, pre-rehab pavement condition, costs and activities.
- Assess the effectiveness of maintenance and rehabilitation strategies and new technologies.
- Provide a means to store digital images to provide a visual record of each roadway and its characteristics.
- Act as a central registry of the roadway network that can then be distributed to other utilities to provide a linkage between all right of way assets.

1.2 THE PURPOSE OF PAVEMENT MANAGEMENT

Agencies implement pavement management systems for a variety of reasons:

- The agency desires to use analytical tools and technologies to more effectively manage their assets. This need often comes to the forefront due to rapidly increased costs and rapidly deteriorating pavements.
- In some cases a pavement management system is required in order to qualify for various types of funding.
- The Government Accounting Standards Board (GASB) was created to serve the public interest by establishing high-quality accounting standards for public sector entities. Independently set financial reporting standards are critical to promoting confidence in public sector entities. High-quality accounting standards contribute to transparent and accountable information that is made available to the public, as well as quality financial information to support decision making. The study completed on the Village's roadway network may be used as the basis for achieving their GASB compliance.

1.3 THE PAVEMENT MANAGEMENT PROCESS

The actual pavement management process involves three unique, but important steps, and is presented graphically in Figure 3. Each activity builds on the previous, until the end result is a prioritized paving and rehabilitation program.

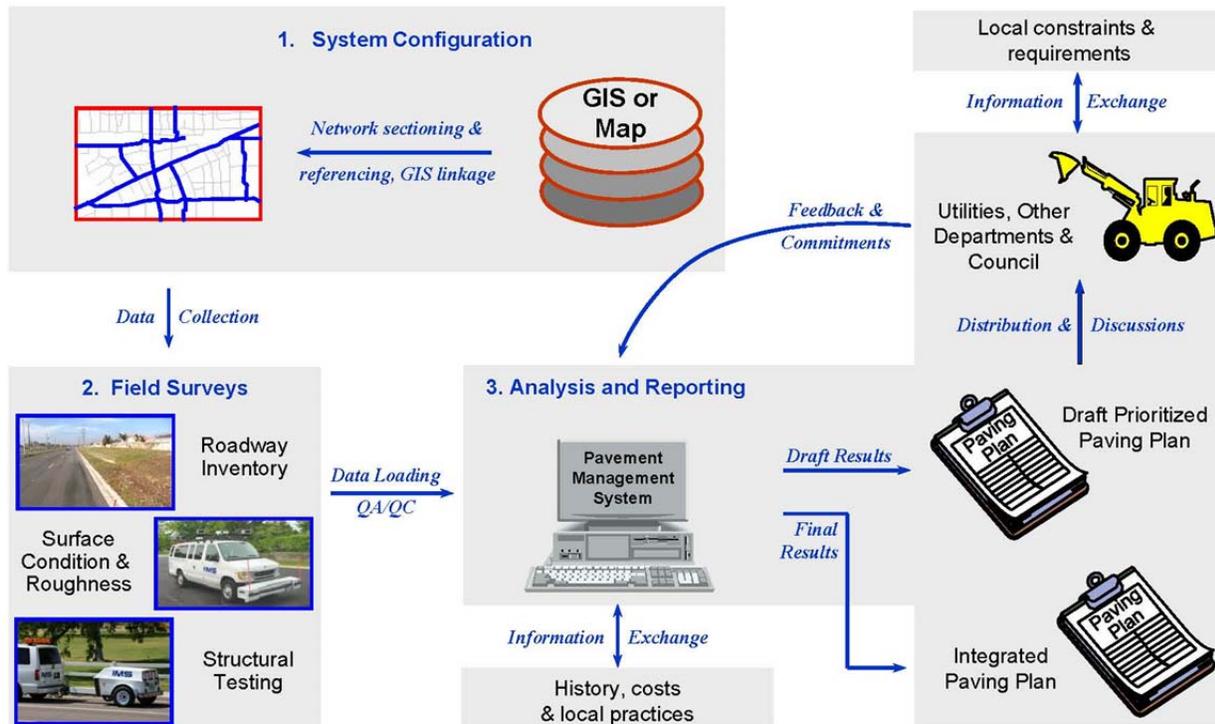


Figure 3 - The Pavement Management Process

The three steps are as follows;

- 1. System Configuration** – this step involves identifying all roadways in the Village’s network, assigning them a unique identifier, listing their physical characteristics (length, width etc.) and demographic attributes (pavement type, traffic, climatic condition), and linking the network to a Geographic Information System (GIS).
- 2. Field Surveys** – following a set of pre-defined assessment protocols, each roadway in the network is surveyed in order to develop a pavement condition rating or score. The following evaluation criteria are being used for the paved roadway network:
 - **Roughness** – a qualitative score is used to quantify the smoothness of a roadway. Roughness is measured following the industry standard “International Roughness Index” (IRI). It is an open-ended score that measures the vehicular response to traveled surface roughness and reports the value as millimeters/meter (mm/m).
 - **Rutting** – measurement of wheel path rut depths by severity and length. Rut depth is a concern for two reasons – if there is insufficient cross slope, they can hold water and thus cause vehicle control problems. They also identify areas of loss of base structural strength.

- Crack Condition – used to qualify and quantify the level of cracking displayed by the road. Crack Condition consists of transverse cracking, longitudinal cracking, block cracking, and edge cracking along with other distresses. It is considered to be an important distress group in assessing the overall structural and surface condition.

All data is being summarized on a block-by-block basis. Confirmation of pavement type, GPS coordinates, and digital images are also being collected as part of the field surveys.

3. Analysis & Reporting – Data analysis establishes the pavement condition scores.

This is done by taking the results of the surface condition field surveys that are processed through the pavement management software. The software uses a Cracking Condition Score, Rutting Condition Score, and a Roughness Condition Score. The Cracking Condition Score originates from the severity & extent data collected for pavement cracking and is based on a 10 to 100 scale. The Rutting Condition Score originates from the severity & extent data collected for the pavement rutting and is also based on a 10 to 100 scale. The Roughness Condition Score is an index based on the IRI value collected for the pavement and is based on a 10 to 100 scale.

The Cracking Condition Score, Rutting Condition Score, and Roughness Condition Score are combined to generate the Surface Condition Score using 60% of the Cracking Condition Score, 25% of the Rutting Condition Score, and 15% Roughness Condition Score.

Very often structural testing is performed to obtain results from the structural pavement assessment using either a falling weight deflectometer or a dynaflect. This data is linked to each pavement section. The structural analysis is dependent on the traffic loading that each pavement supports, thus necessitating traffic counts percentages, including heavy trucks, for each roadway. Structural testing was performed on each block as part of the 2015 testing.

The analysis is then completed using either a level of service based approach in which the user specifies a target condition average and the software identifies the required budget, or a budget based approach in which fixed annual budgets are input and the software selects the streets to be rehabilitated.

Options for prioritization of candidates can be based on worst first or can include additional factors such as functional class or traffic.

1.4 PAVEMENT SURFACE CONDITION SURVEY

Acquiring and processing input information is the foundation of pavement management. The Village of Hanover Park pavement performance data was collected using a Road Surface Tester to obtain continuous surface condition, rutting, roughness, GPS and digital image data on each of the segments of this project.

Pavement distresses that were included in the survey for asphalt roadways are as follows:

Distress	Description
Roughness	International Roughness Index based score – an assessment of the riding comfort of the roadway converted to a 0 to 100 score. Roughness makes up 1/3 of the overall condition score.
Transverse Profile	Measurement of the average of rut depths along with 2 critical thresholds.
Transverse Cracking	Measurement of transverse cracks quantified by 5 width and 2 depth categories.
Longitudinal Cracking	Measurement of extent and severity of longitudinally oriented cracks.
Alligator Cracking	Measurement of extent and severity of load associated fatigue cracking.
Block Cracking	Measurement of the presence of non-load associated block/map cracking.
Edge Cracking	An assessment of the cracks along the roadway edge.
Patching	An assessment of an area where the pavement has been removed and replaced with new material.
Pothole	An assessment of irregular shaped, non-manmade holes in the pavement.
Rippling	Measurement of transverse undulations in the pavement consisting of closely spaced alternate valleys and crests (washboard effect).
Bleeding	An assessment of the presence of a film of bituminous material on the pavement surface that creates a shiny surface.
Raveling	Measurement of progressive loss of pavement material from surface downward.
Distortion	Measurement of any deviation or undulations of the pavement surface from its original shape.

1.5 UNDERSTANDING THE PAVEMENT CONDITION SCORE

The following illustration compares Pavement Condition Index to commonly used descriptive terms. The divisions between the descriptive terms are not fixed and may vary between functional class and pavement type. They are meant to reflect common perceptions of roadway condition.

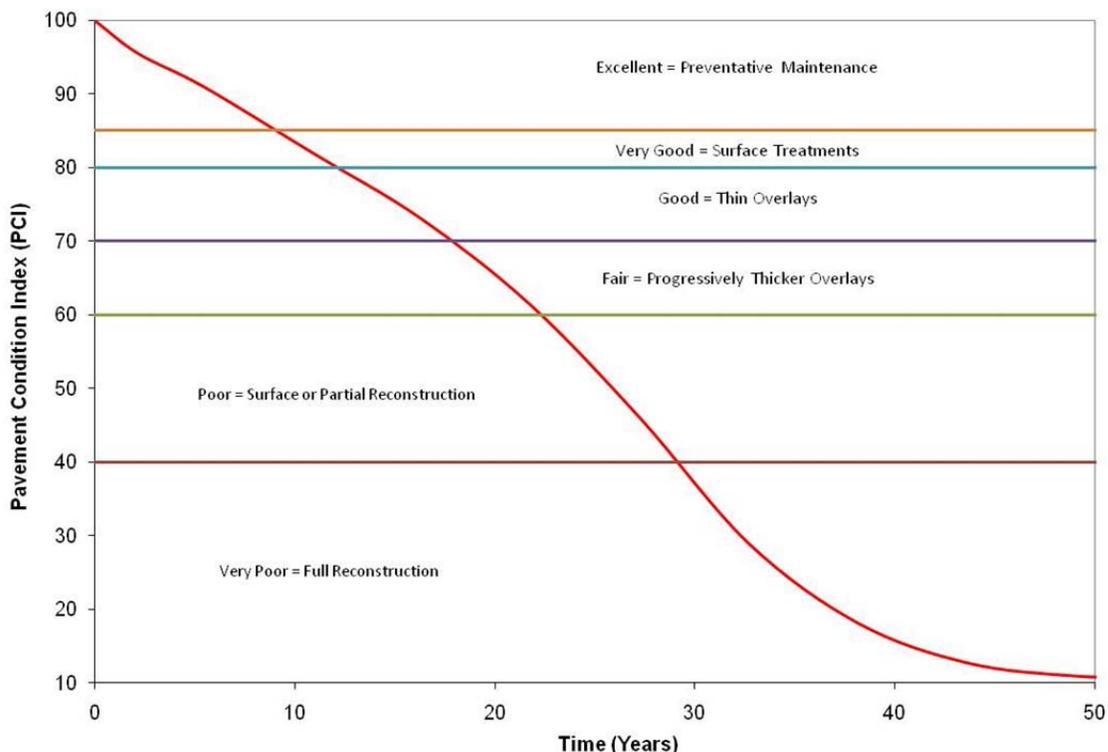


Figure 4 – Understanding the Pavement Condition Index Score

The general idea of what these condition levels mean with respect to remaining life and typical rehabilitation actions is included in the following table:

PCI Range	Description	Relative Remaining Life	Definition
85 – 100	Excellent	15 to 25 Years	Like new condition – little to no maintenance required when new; or routine maintenance such as crack and joint sealing.
80 – 85	Very Good	12 to 20 Years	Routine maintenance such as patching, crack sealing with possible surface treatments - chip seals, seal coats, slurries or micro-surfacing.
70 – 80	Good	10 to 15 Years	Heavier surface treatments and thin overlays. Localized panel replacements.
60 – 70	Fair	7 to 12 Years	Progressively thicker overlays with localized repairs. Moderate to extensive panel replacements.
40 – 60	Poor	5 to 10 Years	Sections will require very thick overlays or surface replacement, base reconstruction and possible subgrade stabilization.
10 – 40	Very Poor	0 to 5 Years	High percentage of full reconstruction.

2.0 PAVED NETWORK CONDITION AND FINDINGS

2.1 ROADWAY SECTIONS INVESTIGATED

The intent of this study was to develop a network level management program for the paved roadway system of Hanover Park. At the time of the survey, the network consisted of 84 centerline miles of roadway, broken down into 4 functional classes. Roadways consist of asphalt pavement (AC) and concrete pavement (PC).

	Total Network	Arterial	Major Collector	Minor Collector	Local
Length (ft):	441,397	11,063	4,791	38,134	387,409
Length (miles):	83.6	2.1	0.9	7.2	73.4
Number of Street Sections:	431	9	2	25	395
Area (sq.yd.):	1,363,265	44,538	19,319	129,966	1,169,442
Percentage of Network:		3.3	1.4	9.5	85.8

The following plot summarizes the total network by area split between functional classifications.

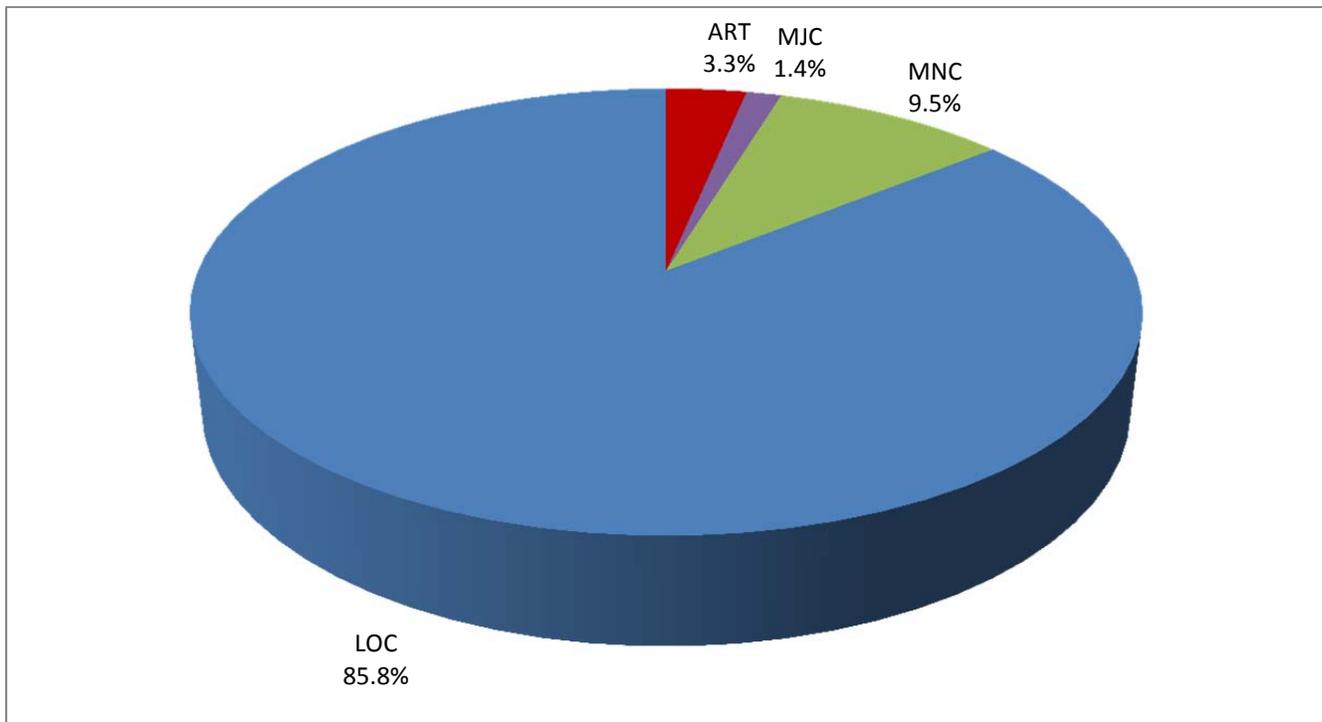


Figure 5 – Network Split by Functional Classification by Pavement Area

2.2 NETWORK PRESENT CONDITION

The street network owned or managed by the Village of Hanover Park consists of approximately 84 centerline miles of pavement. At the time of testing, the un-weighted average condition of the paved network was 81, with streets ranging from a low of 47 to a high of 98.

Figure 6, presented below shows the distribution of the pavement condition for the roadway network in the Village of Hanover Park on a 10 to 100 scale, 10 being worst and 100 being best condition. The roadway network displays typical pavement condition characteristics when compared to other agencies of similar size and environment with many streets centered around 70 to 79 range.

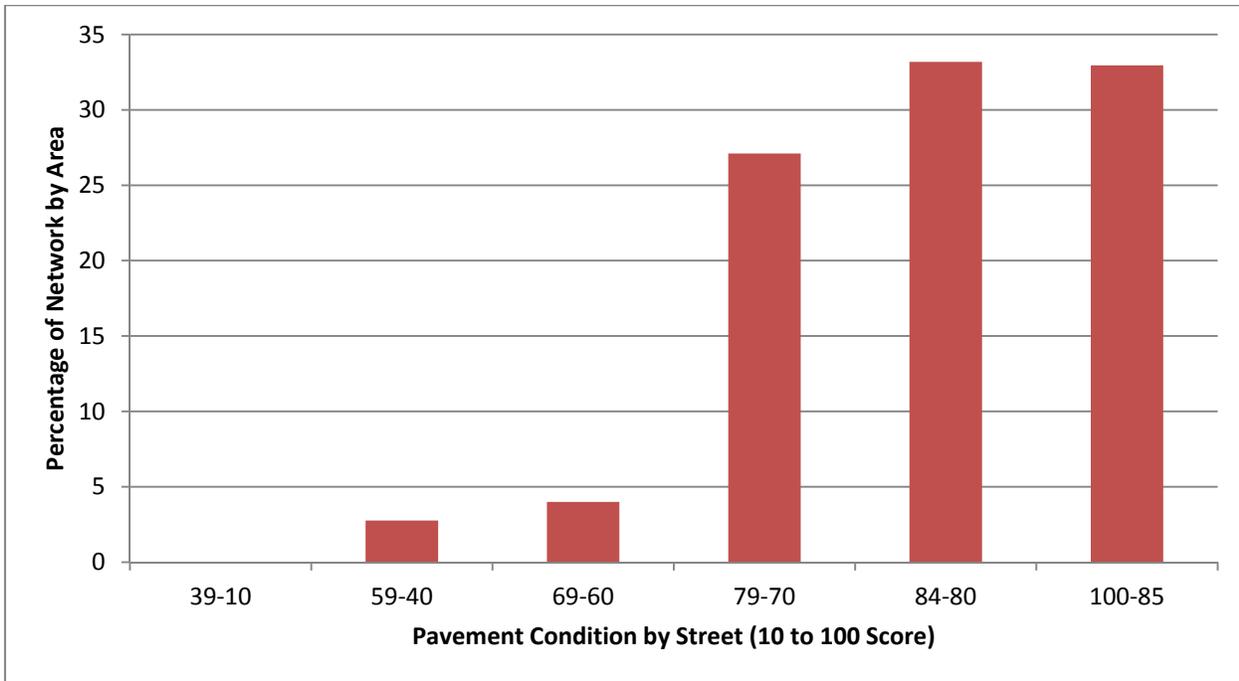


Figure 6 – Paved Network Present Status

The following graph (Figure 7) displays the same pavement condition information, but instead of using the actual pavement condition index value, descriptive terms are used to classify the roadways. From the chart, 33% of the network can be considered in excellent condition with a PCI score greater than 85. These are the “like new” roads and only require routine maintenance such as minor patching and some crack sealing. On a typical network, 10% to 15% of the roads are generally rated as excellent. Furthermore 33% of the Village of Hanover Park network falls into the very good classification. These are roads that benefit the most from preventative maintenance techniques such as micro-surfacing, slurry seals and localized repairs. If left untreated these roadways will drop in quality to become overlay candidates.

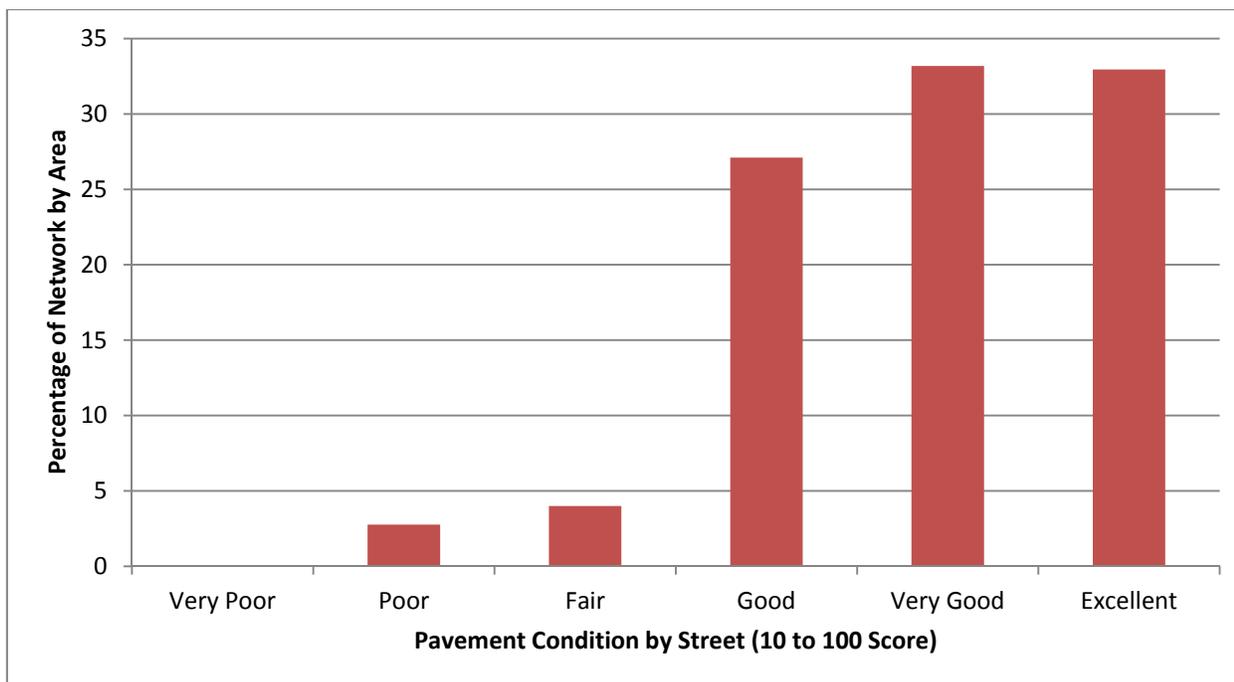


Figure 7 – Network Pavement Condition by Descriptive Classification

31% of the network can be considered in “good” or “fair” condition, representing candidates for progressively thicker overlay based rehabilitation.

These pavements are beginning to deteriorate at an accelerated rate. Some of them can be saved by resurfacing in the near future. Delay would increase the cost of repair significantly for these pavements. In that sense, they are the 'optimal' pavements for repair. If left untreated, they will decline rapidly into reconstruction candidates.

The remaining 3% percent of the network is rated as “poor” or “very poor”, meaning these roadways have failed or are past their optimal due point for overlay based rehabilitation and may require progressively heavier or thicker forms of rehabilitation (such as surface reconstruction) or total reconstruction. Roadways falling progressively into the poor and unacceptable categories (PCI less than 60), should be considered the Village’s “backlog” of immediate work to do. These are the roadways that require rehabilitation efforts, in thicker depths, or reconstruction.

2.3 PRESENT CONDITION BY FUNCTIONAL CLASS

The following graph (Figure 8) presents the present condition broken down in major roadways (arterials and collectors) and local roadways (residential streets).

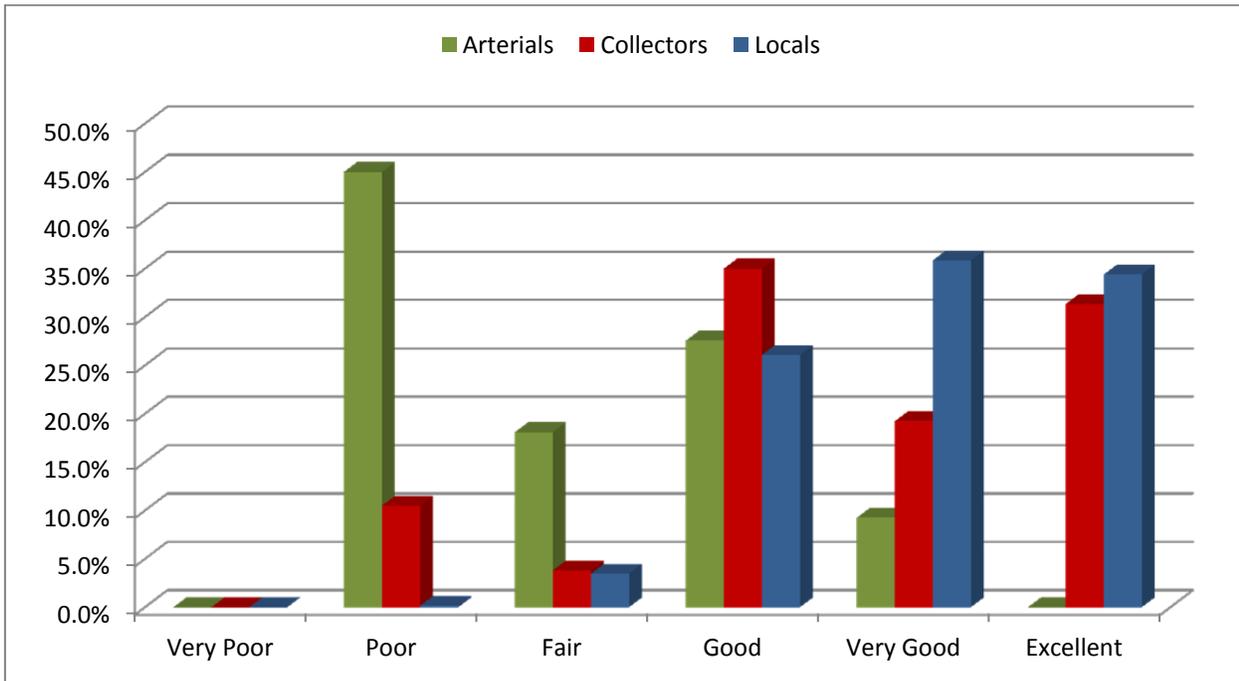


Figure 8 - Network Pavement Condition by Functional Class

As can be seen from the graph, the arterial, collector and local networks display different condition characteristics, with the local network in better condition with smaller percentage of poor roads.

2.4 RECONSTRUCTION BACKLOG

Backlog roadways are those that have dropped in quality such that surface based rehabilitation efforts would no longer prove to be cost efficient and require either partial or total reconstruction. Backlog is expressed as the percentage of roads requiring reconstruction as compared to the network totals.

The concept of pavement condition index (PCI) score and backlog must be fully understood in order to develop an effective pavement management program. The PCI score indicates the overall pavement condition and represents the amount of equity in the system and is the value most commonly considered when gauging the overall quality of a roadway network. It may also be used to define a desired level of service – that is an agency may wish to develop a pavement management program such that in 5 years the overall network score meets a set minimum value. It is the backlog however, that defines the amount of work an agency is facing and is willing to accept in the future. Further, it is the combination of the pavement condition index and backlog that presents the true picture of the condition of a roadway network, and conversely defines improvement goals.

Generally a backlog of 10% to 20% of the overall network is considered manageable from a funding point of view – a target value of less than 15% would be considered ideal. A backlog below 10%, while certainly desirable from a service perspective, may represent a non-optimal expenditure of funds if rehabilitation dollars are limited. Backlogs approaching 20% and above tend to become unmanageable unless aggressively checked through larger rehabilitation programs.

With the Village of Hanover Park's current reconstruction backlog at 3%, the Village's objectives need to focus on maintaining an effective overlay and backlog management program to minimize the number of roadways that will deteriorate into reconstruction candidates and to reduce the number of roads already needing reconstruction.

3.0 REHABILITATION PLAN AND BUDGET DEVELOPMENT

3.1 PAVEMENT MANAGEMENT METHODS

All pavement management systems require user inputs in order to establish real world budgets and rehabilitation plans. The keys among these inputs are:

- Whether to be a budget driven or level of service driven agency.
- Whether to focus on doing a worst first or prioritized based rehabilitation plan.
- Length of design period – either 5 or 10 years
- Desired level of service at the end of the design period.
- Desired backlog at the end of the design period.

There are many ways to manage a given pavement network. The pavement management program used for the Village of Hanover Park has two general methods that can be run with different parameters to achieve a variety of scenarios. The first method, called “Level Analysis”, allows the user to select a desired level of service to maintain while the program reports the associated annual budget. In this method the average condition of the network is brought to a selected level by rehabilitating streets from low condition to high condition. However, the streets are not usually done in a worst first order. Instead, the cost benefit of each strategy is considered so that an optimum strategy at an optimum time can be performed. The second method, called “Budget Analysis”, allows the user to select a fixed budget for each year while the program reports the associated level of service. In this method the streets are selected optimally while staying within the budget constraints. In some cases the optimum strategy or the timing of rehabilitation for a particular street will be altered to fit within a particular budget. Each of the above inputs affects the final budget and rehabilitation program in a variety of manners.

3.2 REHABILITATION UNIT RATES

The base costs and assumptions used to develop the rehabilitation unit rates are as follows:

- No allowances for Village overhead, landscaping, signage, or signal improvements.
- A full width 2 to 3-inch milling followed by a 2 to 3-inch overlay is used throughout the network depending on the functional class of the street. From 15 to 20% curb and gutter repair is included in the unit price.
- Three reconstruct strategies were used consisting of a full depth asphalt base from 6 to 10 inches with a 2-inch combined surface and binder course. Curb and gutter replacement is included in the unit price.
- No allowance for ADA compliance or sidewalk improvements.

	Arterial	Collector	Local
Rehabilitation	(\$/sq yd)	(\$/sq yd)	(\$/sq yd)
Grind 2", 2.0" AC Overlay			17.17
2" AC, 6" Bituminous Base			110.00
Grind 2.5", 2.5" AC Overlay		20.60	
2" AC, 8" Bituminous Base		120.00	
Grind 3", 3.0" AC Overlay	24.72		
2" AC, 10" Bituminous Base	130.00		

3.3 DO NOTHING, FIX ALL AND BUDGET ANALYSIS COMPARISON

The following plot presents the “Fix All” and “Do Nothing” options against the present condition.

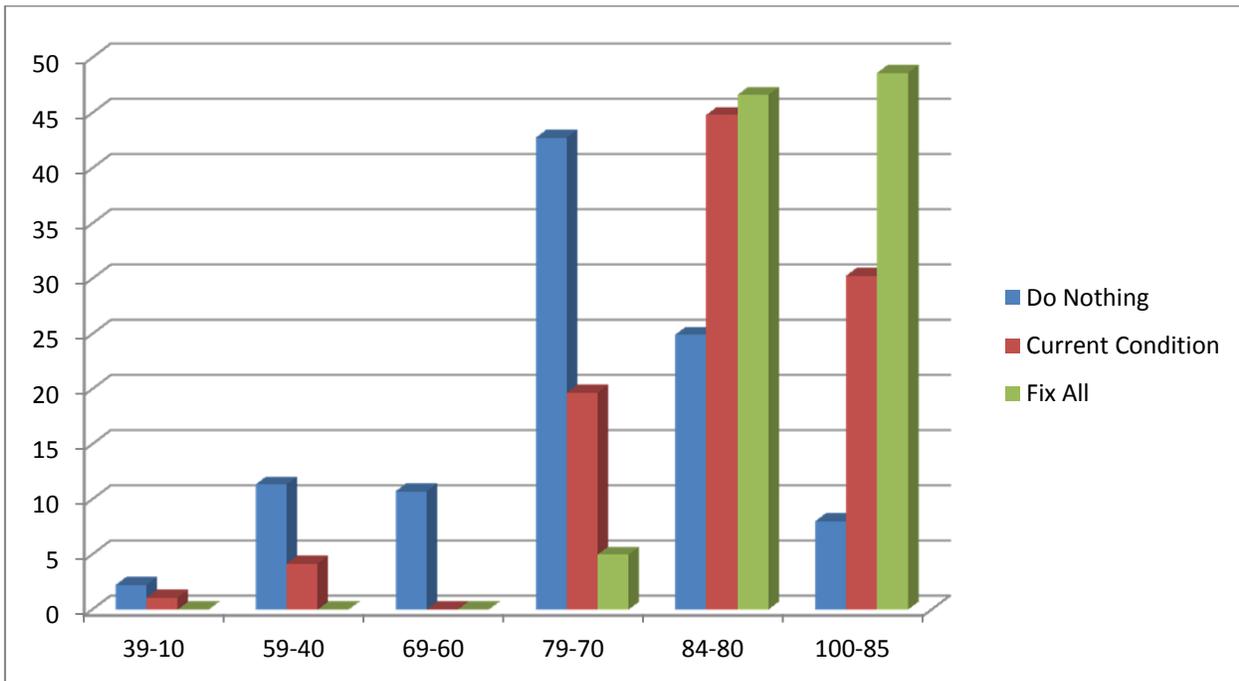


Figure 9 – Do Nothing and Fix All Options Compared Against Current Condition

The cost to theoretically rehabilitate all roadways in the Village of Hanover Park, to a like new condition is approximately \$28 million and results in a network PCI score of 84 with no backlog (new pavement is considered to be between 85 and 95). This assumes unlimited funding is available and all roadways are rehabilitated in their optimal year. Obviously this is an unreasonable expectation for level of service and funding, however it does identify an upper limit of potential expenditure.

It is projected that if no rehabilitation or maintenance is done, the network PCI will drop from its current level of 81 to 74 within 5 years and increases the backlog to 14%.

In order to maintain the network at the current 81 level using the strategies listed above would require an average expenditure of \$2.9 million dollars per year. At the end of the 5th year the backlog would be 5%.

3.4 BUDGET ANALYSIS

A number of different budget schemes may be run for the Village of Hanover Park in order to forecast budget trends. The strategies used for generating the above budgets may be expanded to include additional thicker mill and overlay strategies. In addition reconstruction using in place recycling is a technique that has become popular in this region because it reduces the transportation cost of materials resulting in a significant savings.

An annual budget of \$2.9 million dedicated to roadway rehabilitation was run. The results of the Current Condition budget run are included in the appendix of this report.

An annual budget of \$1.1 million dedicated to roadway rehabilitation was run. The results of the \$1.1 Million Even budget run are included in the appendix of this report.

An annual budget of \$1.5 million dedicated to roadway rehabilitation was run. The results of the \$1.5 Million Even budget run are included in the appendix of this report.

Assuming that the \$1.5 million budget is implemented in 2016 through 2020, the \$1.5 million even budget was carried over to the next 5 years showing what would be selected in the 2021 through 2025 time period. This report is also included in the appendix.

A summary of the budget runs is shown below.

Hanover Park Management Scenario Summary

Scenario Name	1.1 Million Even Budget	1.5 Million Even Budget	Maintain Current Condition
Total Cost	\$ 5.2 Million	\$ 7.8 Million	\$ 14.7 Million
Cost per Year	\$ 1.1 Million	\$ 1.5 Million	\$ 2.9 Million
Area Rehabilitated	220,762 sq. yd.	342,442 sq. yd.	643,607 sq. yd.
End of 5 th Year Condition Score	77	78	81

Scenario Name	1.5 Million Even Budget Ten Year
Total Cost	\$ 7.9 Million
Cost per Year	\$ 1.5 Million
Area Rehabilitated	292,198 sq. yd.
End of 10 th Year Condition Score	75

3.5 NETWORK RECOMMENDATIONS AND COMMENTS

The following recommendations are presented to Village of Hanover Park as an output from the pavement analysis, and must be read in conjunction with the attached reports.

1. The as-measured pavement condition score at year end 2015, as well as the current network average score for the Village is 81. The backlog is 3%.
2. Hanover Park has been investing in the street network over the past few years. The Village should adopt a policy identifying the desired level of service and acceptable amount of backlog. We suggest a PCI target at 81, with a backlog of no more than 5%.
3. The Village should review the recommended program to aggregate stretches of road that have differing years of rehabilitation but are in close geographic proximity to each other. At times it is advantageous to rehabilitate an entire neighborhood at the same time so that work in an area does not occur for several years in a row. Sometimes it is advantageous to rehabilitate adjacent roadways in different years so as to allow egress for residents during construction. These timing issues need to be reviewed and the management plans modified accordingly.
4. Any streets that are to be rehabilitated due to widening or underground utility repairs should be added to the scenarios as "Must Do" streets.
5. Consideration should be given to utilization of several alternate mill and overlay strategies. The program may be able to select more optimum strategies if several alternatives are provided. In-place recycling should be considered as a possible reconstruction alternative. Some agencies have reduced the cost of reconstruction significantly by eliminating some of the cost of transporting materials. Any additional strategies should be researched to make sure they will work in this area and are appropriate for the Village.
6. The Village should continue a proactive approach to pavement management, focusing on early intervention and maintaining their existing investments in pavements. This will allow the Village to maintain the quality of their system with little increase in backlog – in order to achieve this with limited funding; some reconstruction candidates may get postponed in favor of multiple overlay projects. Implementing the PavePRO pavement management system is a good initiative.
7. A full suite of proposed rehabilitation strategies should be reviewed prior to finalization of these budgets as they can have a large effect on the analysis. This analysis focused on the primary activities of mill and overlay. The Village may wish to expand the mill and overlay strategy to include progressively thicker mill and overlays based on decreasing PCI scores. Thicker mill and overlay strategies may be able to be used on some streets currently designated for reconstruction. The thickness of the current pavement may not allow thicker milling. When actually performing the work it is important to continue the practice of full-depth patching of any areas with localized severe distress. This is best accomplished after the milling and before the overlay is applied.
8. GASB update may be achieved by maintaining the PavePRO database and the budgets contained herein.
9. The Village should consider developing an ongoing program to maintain the pavement and right of way asset management system such that it can continue to be used to effectively manage the Village's roadway assets. Maintenance of the asset management system should consist of:
 - Updating the pavement condition information either every 3-5 years. This will allow the Village to update their roadway inventory, GIS data and pavement condition data on a routine basis.

3. a.

- An estimated budget of \$125 to \$150/mile (inclusive of surface distress data collection and processing, and data loading) may be used to cover the surveys.

The analyses and recommendations presented in this report are based upon the data obtained from the Client and other information discussed in this report. This report has been prepared for the exclusive use of our client for specific application to the project discussed and has been prepared in accordance with generally accepted pavement engineering practices. No warranty, expressed or implied, is provided. In the event that any information furnished to us, as outlined in this report, is inaccurate or changes, the conclusions and recommendations contained in this report shall not be considered valid unless the changes are reviewed and the conclusions of this report modified or verified in writing by the pavement engineer.



TO: Village President and Board of Trustees

FROM: Juliana Maller, Village Manager
Shubhra Govind, Community & Eco. Dev. Director

SUBJECT: Review of TIF Funding request for Senior Housing Development Proposal at 900 Irving Park Rd (Old Menards site)

ACTION

REQUESTED: Approval Concurrence Discussion Information

RECOMMENDED FOR CONSENT AGENDA: Yes No

MEETING DATE: February 4, 2016

Executive Summary

Staff recommends S. B. Friedman and Associates to review a TIF funding request from Aman Living, LLC who is proposing to build a senior housing development at the 900 Irving Park Rd (old Menards) site.

Discussion*Project Proposal*

A developer (Aman Living, LLC) is proposing a senior housing development at the subject site, comprising of:

- 47 ranch style townhomes
- 102 condominiums, of which 80 will be 2-bedrooms, 22 will be 1-bedroom
- 10,000 sq. ft. club house, with banquet facility and meal plans
- A retail lot for a 9,000 sq. ft. commercial building.
- These will be upscale or market rate units, with the following targeted price points:
 - Townhomes \$275,000
 - 2 Bedroom Condos \$200,000
 - 1 Bedroom Condos \$150,000
- All townhomes will have 1 attached garage. An additional parking space will be accommodated on the driveway. All condos will have one indoor parking space on the first level of the condo building. Additionally, surface parking spaces will be provided off-street, exceeding the parking ratio required for elderly housing. Parking is also met for the retail site.
- All streets have been designed to accommodate the turning radius for emergency vehicles.
- At this time, streets are intended to be privately owned and maintained.
- Sidewalks have been proposed with seating and landscape areas.
- The retention pond along Irving Park will be used as a water feature.
- No curb-cut on Irving Park Rd.

Agreement Name: _____

Executed By: _____ Board Workshop February 4, 2016 Page 24/38

- Materials of construction: brick, stone, some siding

Since the property is currently zoned B-2 Local Business District, this proposal will need to be rezoned to R-4 Multi-family Planned Unit Development. While a detailed zoning analysis will be done when a complete application is submitted, an overview of the concept plan indicates:

- Rear yard setback – Required: 30 feet; Proposed: 30 feet minimum
 - Height: Max permitted: 40-feet, proposed: 3-story building, likely below 40 ft.
 - Density: R-4: 12 units/acre – proposed 12.9 gross
- Any variances that may be needed will be processed as part of the PUD process.

Staff was approached by the developer initially with an all townhome development. Following feedback from potential buyers, the developer added the condominiums to provide a larger range of options and price-points. The attached site plan is where they currently are, following several meetings with the Development Review Committee made of staff representatives from Fire, Inspectional Services, Public Works, Engineering, Police and Community Development as well as the Village Manager.

As the developer has moved forward with getting cost estimates, they have realized a funding gap. The developer has retained Kane McKenna to review their cost, and is requesting TIF funding assistance to bridge a \$5 million gap.

Attached, please see the Village’s Financial Incentive Policy. The developer has indicated \$7 million of TIF eligible costs, and has requested \$5 million in TIF funds to fill a gap. Of this, they request at least \$2 million to be available before the completion of the project to address the initial negative cash flow.

The next step in the review process is for the Village’s TIF consultant, S.B. Friedman and Associates, to review the TIF funding request and make a recommendation to the Village. TIF funds have been budgeted for this review in anticipation of this project.

Attached is a proposal from S.B. Friedman to conduct a financial review of the requested public-private financing of this age-restricted residential development. A representative from S.B. Friedman will attend the meeting to answer any questions.

Recommended Action

Staff requests that the Village Board review the concept plan, and in light of the TIF funding request, provide direction to staff to accept S.B. Friedman’s proposal for review of such request.

Attachments:

- S.B. Friedman Proposal
- Site Plan and building elevations
- Village’s Financial Incentive Policy

Budgeted Item:	<u> X </u> Yes <u> </u> No
Budgeted Amount:	\$ 20,000 in TIF #5
Actual Cost:	\$ 15,000
Account Number:	35-20-2200-403-462



S. B. Friedman & Company | 221 North LaSalle Street, Suite 820 | Chicago, IL 60601 | T (312) 424-4250 | F (312) 424-4262

January 29, 2016

Ms. Juliana Maller
 Village Manager
 Village of Hanover Park
 2121 West Lake Street
 Hanover Park, Illinois 60133

Dear Ms. Maller:

SB Friedman Development Advisors (“*SB Friedman*”) is pleased to submit this proposal to the Village of Hanover Park (the “Village”) to conduct a financial review of a proposed public-private financing arrangement to assist in the development of an age-restricted residential development located at 900 Irving Park Road in Hanover Park, Illinois (the “Project”). The Project would be developed by Aman Living, LLC (the “Developer”).

Background and Understanding

The Developer is proposing an age-restricted residential development comprised of 47 townhomes, 100 for-sale condominiums, and a private clubhouse for residents of the development. A 9,000-square-foot retail site would also be created as part of land development efforts. The Project would be phased over four years, with construction scheduled to begin in April 2016. It would be located at 900 Irving Park Road on the 11-acre site of a former Menards store (the “Site”), which lies within the existing Village of Hanover Park Tax Increment Financing (TIF) District #5.

In a submittal dated December 10, 2015, the Developer requested \$5 million in TIF assistance, on a pay-as-you-go basis, with a 5% interest rate factor. Extraordinary construction costs and low price points for residential units were identified as challenges driving the need for Village financial assistance. In addition to the request for assistance, the Developer submittal included:

- High-level overview of development program, budget and phasing;
- High-level schedule of sources and uses of development funds;
- Five-year development pro forma, including average market value per unit, units sold per year, and internal rate of return on investment (in PDF format);
- Incremental tax projections (in PDF format);
- Three site plans with varying levels of density; and
- Discussion of benefits to the Village.

In light of the Developer’s request, the Village has asked *SB Friedman* to conduct an initial financial review of the Project and to offer conclusions regarding its financial feasibility and need for the requested Village assistance. Our anticipated scope of services includes the following key elements (described in more detail in the following section):

- High-level review of the Developer's estimated construction costs (does not include contractor estimate-style review);
- Review of Developer's development pro forma, including return expectations, developer fee, soft costs, assumed financing terms and costs, and other factors;
- Validation of projected incremental property tax revenues generated by the Project;
- Review of development revenue and expense assumptions;
- Review of projected rates of return on cost and equity to be realized by the Developer/investor, with and without assistance from the Village; and
- Preparation of a memorandum outlining our review and recommendations regarding Village assistance.

To conduct the scope of services outlined above, *SB Friedman* would request the following items from the Developer:

- Detailed development budget, including back-up documentation for construction and site cost estimates (e.g., contractor estimates, engineer's opinions);
- Additional detail regarding the source of development funds, including status of financing and Term Sheet or Commitment Letter information on debt and equity for the project, to the extent available;
- Live Excel version of pro forma over five-year development period;
- Live Excel version of incremental tax projections;
- Any additional Site plan and concepts;
- "As is" appraisal for Project Site, as well as any available land purchase and sale agreements;
- Breakdown of the development program by square footage, units, gross/net area, etc.;
- Additional detail on timing and phasing;
- Third-party market study or other support for price points and number of sales per year; and
- Detailed breakdown on any budget line items proposed to be paid to Developer affiliates (e.g., developer fees, construction management fees).

The most immediate need would be a market study providing support for price points and number of sales per year. This market study should be conducted by a third-party that is acceptable to the Village. Alternatively, *SB Friedman* would be available to conduct this study through a separate engagement.

Scope of Services

The following key tasks are contemplated as part of this Scope of Services:

1. CONDUCT PROJECT KICKOFF MEETING / PROVIDE SUPPLEMENTAL DATA REQUEST

We will conduct a project kickoff meeting with Village staff to discuss overall background information, confirm the timeline and deliverables, obtain any additional detail available on the Project, and tour the proposed development site.

After the kickoff meeting, we will provide a supplemental data request for any additional information or clarification that we need based on our initial review of the Developer submittal. Our enclosed budget estimate assumes that the Developer will provide a reasonably complete, reasonably

responsive set of data. If the Developer provides materially less data than is typical for our review of such projects, we will inform the Village and determine how to proceed accordingly.

2. REVIEW PROJECT DEVELOPMENT BUDGET

We will conduct a review of the hard and soft costs in the Project budget, as well as the available basis for these estimates provided by the Developer. This is intended to be a conceptual review using industry data (e.g., RS Means). If required, we are able to retain construction estimators to review hard costs; this can be done through a supplemental budget authorization. We will also review the level of design/construction estimation the Developer has performed, as well as the embedded design/construction contingencies, and may make suggestions accordingly regarding potential “true-ups” as the Project budget is refined.

Soft costs will also be reviewed and compared to industry benchmarks for such items as architect fees, developer fees, financing costs, legal fees, etc. This analysis also includes a review of construction period and predevelopment interest costs, as well as specific identification of any fees to be paid to affiliates of the Developer.

3. REVIEW DEVELOPMENT PRO FORMA AND INCREMENTAL TAX PROJECTIONS

We will review the Developer’s projected revenues and expenses over the five-year development period. Assumptions employed in the pro forma will be benchmarked against the Developer’s market study, data from comparable projects, our own independent research of price points and sale activity in the market area, and industry benchmark sources. The Developer’s TIF projections will also be reviewed with key assumptions benchmarked using data from comparable projects.

4. REVIEW PROJECT FINANCING STRUCTURE AND TERMS

The sources and uses of funds will be reviewed, particularly in terms of the maximization of debt, the presence of a reasonable amount of equity, and adherence to market terms. We will utilize information from other projects and interviews with selected lenders to help validate the structure. In addition, for the retail portion which we assume will be an investment-type property, we have available to us a number of sources to provide benchmarks for such matters, including data from the American Council of Life Insurers, PricewaterhouseCoopers/Korpacz, Real Estate Research Corporation, Partnership Profiles, and others.

5. REVIEW PROJECTED DEVELOPER RETURNS

We will validate the Developer’s calculated return on total development costs and return on investment. For for-sale housing, profit as a percent of total sales is the most common measure. Data from the National Association of Homebuilders will be used to provide benchmarks.

6. PREPARE AND SUBMIT DRAFT TECHNICAL MEMORANDUM

The results of our analysis will be summarized in a technical memorandum that presents the results of the returns analysis and provides suggestions regarding the level and structure of assistance necessary to achieve an economically feasible project. Suggestions on potential “upside” sharing mechanisms or other measures to help balance the risks and returns of the Project may be made.

7. DISCUSS FINDINGS WITH VILLAGE STAFF AND REVISE MEMORANDUM

We will hold a conference call with Village staff to review the draft memorandum, answer questions, and discuss any comments or edits from the Village. Our budget estimate assumes that the Village will make one consolidated set of comments to the memorandum and such comments will be incorporated into the final work product (if consistent with our firm's professional findings and judgment).

Additional Services

In addition to the base scope of work presented above, we are available to provide additional analytical or negotiation support services to the Village, including in-person presentations of our findings to the Village Board, additional meetings/conference calls, review of additional iterations of financial data that may be generated by the Developer after our initial analysis, independent projection of available tax revenues to support the proposed project assistance package, etc. These services, or any other additions to the base scope, would be treated as additional services to be performed as an extension to the initial engagement, utilizing the hourly rates of the individuals involved.

Timeframe and Estimated Budget

Based on the scope of work outlined herein and our experience with similar projects, we estimate that it will take approximately 30 to 45 days to complete the analysis from the date we are authorized to proceed. It should be noted that this timeframe can be extended if certain data is unavailable or take longer to obtain from the Developer, the Village or other parties than anticipated. However, we will work with you to meet your timeline for the project.

Professional fees for this service will be based on time required at the then-current billing rates of the staff involved. As shown in greater detail in the budget estimate below, the estimated professional fees and expenses for the Scope of Services described above total approximately **\$15,000**. This estimate assumes travel to one kickoff meeting. Estimates have been prepared based on certain assumptions as to the time required.

The following current hourly rates apply to this engagement:

President	\$375
Practice Leader	\$325
Senior Project Manager	\$250
Project Manager	\$215
Associate Project Manager	\$190
Associate	\$150
Research Associate	\$135
Editor	\$120
Intern/Admin	\$90

DETAILED BUDGET ESTIMATE

Scope Task	Person Rate	Project			Total
		President \$ 375	Manager \$ 215	Associate \$ 150	
1 Conduct Project Kickoff Meeting/Provide Supplemental Data Request		4	4	6	14
2 Review Project Development Budget		1	1	6	8
3 Review Development Pro Forma and Incremental Tax Projections		1	2	8	11
4 Review Project Financing Structure and Terms		1	2	6	9
5 Review Projected Developer Returns		1	2	6	9
6 Prepare and Submit Draft Technical Memorandum		1	4	12	17
7 Discuss Findings with Village Staff and Revise Memorandum		2	2	4	8
8 Present Findings to Village Board				COMP	-
Subtotal Hours		11	17	48	76
Subtotal Dollars		\$ 4,125	\$ 3,655	\$ 7,200	\$ 14,980
TOTAL PROFESSIONAL FEES					\$ 14,980

Travel, publications, maps, outside data, use of owned or licensed databases, report production, and other out-of-pocket expenses are not included in this estimate and will be billed in addition to professional fees as incurred (without markup).

This fee estimate is intended to serve as a benchmark and is subject to upward revision if the engagement entails more time than estimated due to problems that are encountered which could not reasonably have been foreseen at the commencement of the engagement, or if the scope is changed. In this event, we will discuss the matter with you so that a mutually acceptable revision may be made. Fees and expenses for our services will not exceed the total fee amount without your further authorization.

Invoices will be rendered not more frequently than monthly as our work progresses for services and costs incurred. In addition, our invoices will include daily detail as to the tasks performed and number of hours incurred by staff member. Invoices are payable within 30 days.

If at any time the decision is made to discontinue our services, our fee will be based upon the actual time expended and out-of-pocket costs incurred to that date.

The attached "Limitations of Our Engagement" (page 7) apply to this engagement.

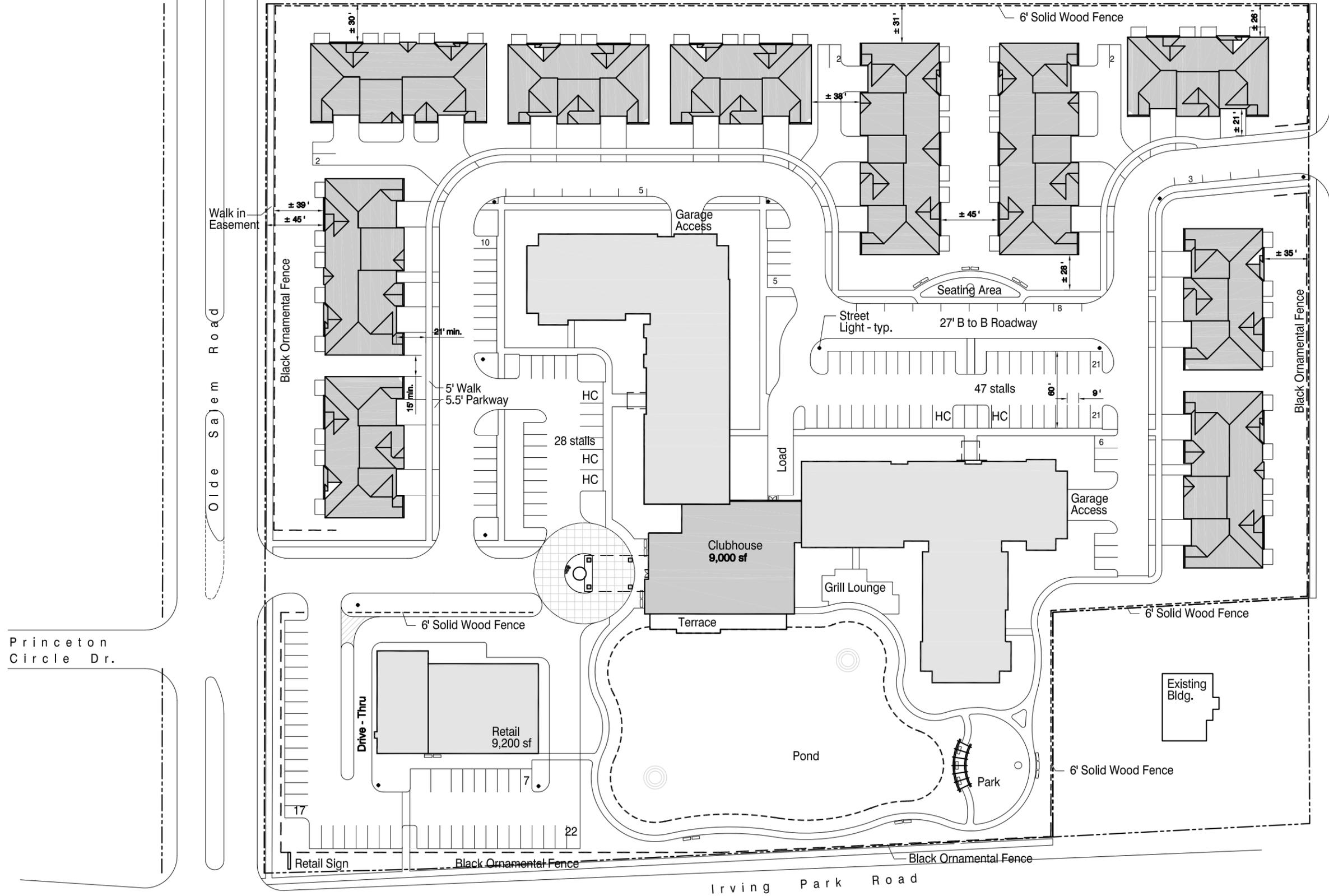
LIMITATIONS OF OUR ENGAGEMENT

Our memorandum will be based on estimates, assumptions and other information developed from research of the market, knowledge of the industry, and meetings during which we will obtain certain information. The sources of information and bases of the estimates and assumptions will be stated in the memorandum. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our memorandum, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise analyses or the memorandum to reflect events or conditions which occur subsequent to the date of the memorandum. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in assessment practices, changes in applicable statutes, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed project.

Our memorandum will be intended solely for your information for purposes of assessing a developer's request for assistance, and will not be a recommendation to issue bonds or other securities. The report should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the report nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors without our prior written consent. Our work products are not intended to constitute advice for the client to issue (or refrain from issuing) specific municipal securities.

We acknowledge that upon submission to the Village, the memorandum may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the memorandum under such Act.



Wilson St.

Olde Salem Circle

Princeton Circle Dr.

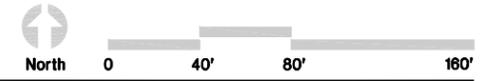
Irving Park Road

Residential Units	147
Townhomes	47
Condo	100
Residential Parking	304
Townhomes	
1 car garage	47
1 car apron	47
on grade @ .5 per unit	24
total spaces	118
ratio	2.5
Condo	
1 car internal	100
on grade @ .57 per unit	57
total spaces	157
ratio	1.57
Clubhouse	
on grade	28
Retail SF	9,200
Retail Parking	46
Ratio	5.0

Verandah - Hanover Park, Illinois

Preliminary Plan

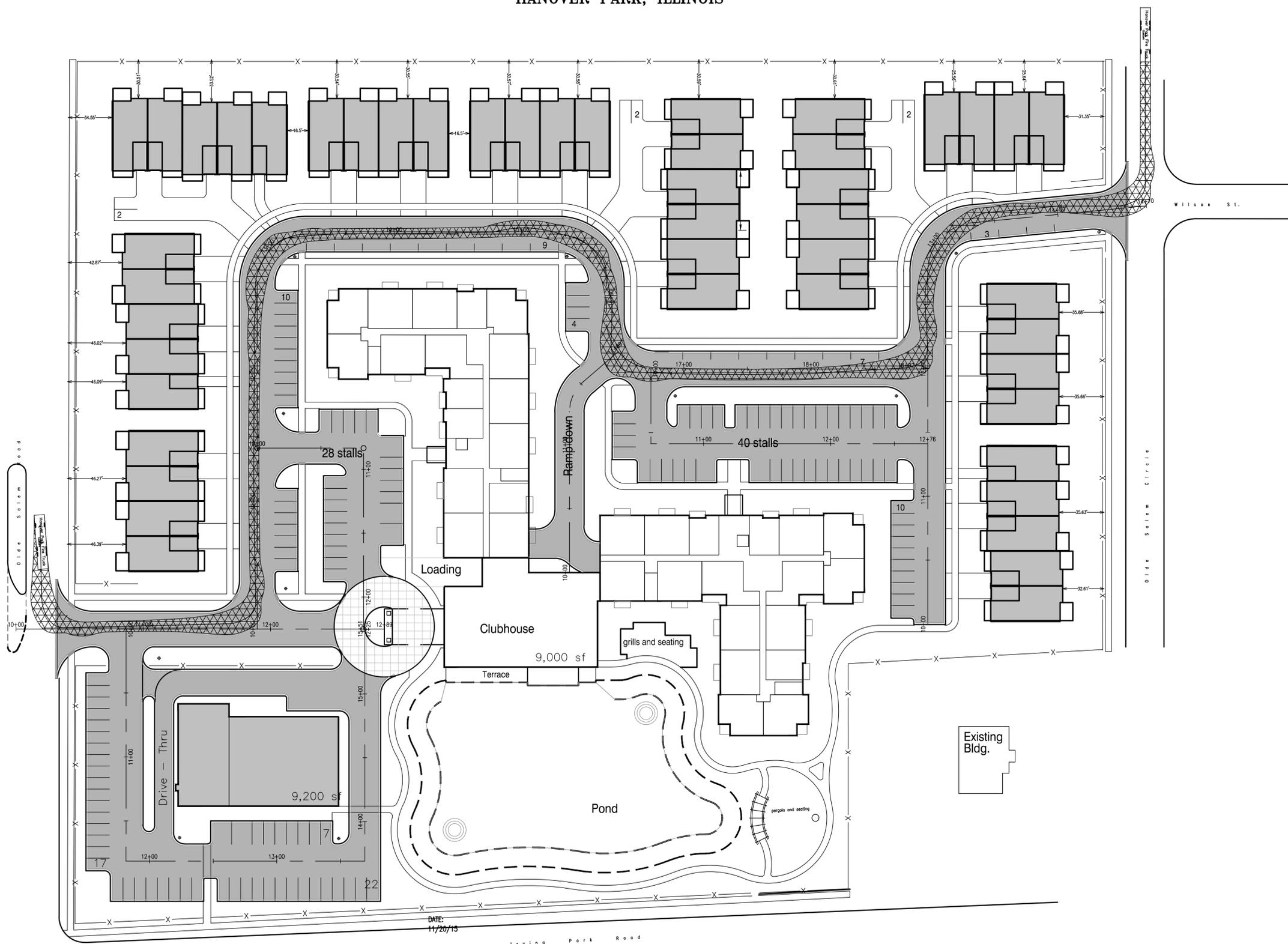
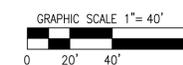
Aman Living, LLC



43 South Vail Avenue
Arlington Heights, Illinois 60005
Job No. 15025 © 2015



HANOVER PARK SENIOR CENTER HANOVER PARK, ILLINOIS



DATE:
11/20/15

VANTAGEPOINT
ENGINEERING

18311 NORTH CREEK DRIVE
TITLEY PARK, IL 60477

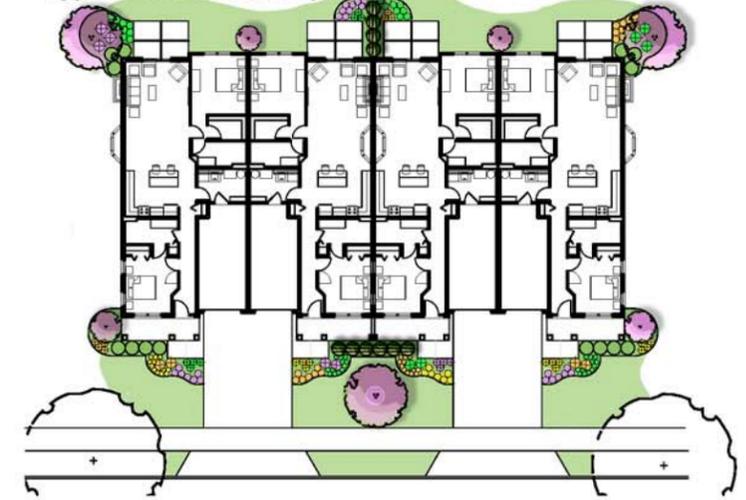
www.VantagePoint.Engineering
Civil Engineering | Water Resources | Land Planning | Surveying

1-708-478-6004
INFO@VPEAC.COM

COPYRIGHT © 2015 VANTAGEPOINT ENGINEERING, LLC PROFESSIONAL DESIGN FIRM NO. 184-05786



Typical Unit Landscape



Typical Plant Palette

Trees

Botanic Name	Common Name	Size
<i>Acer x fremanii</i> 'Marmo'	Marmo Maple	2.5' BB
<i>Celtis occidentalis</i> 'Windy City'	Windy City Hackberry	2.5' BB
<i>Catalpa speciosa</i>	Northern Catalpa	2.5' BB
<i>Crataegus crus-galli</i> 'Inermis'	Thornless Hawthorn	8' Ht. BB
<i>Malus</i> 'Red Jewel'	Red Jewel Crabapple	Multi-stem 2' BB
<i>Malus</i> 'Donald Wyman'	Donald Wyman Crabapple	Multi-stem 2' BB
<i>Platanus x acarifolia</i> 'Morton Circle'	London Planetree	2.5' BB
<i>Quercus bicolor</i>	Swamp White Oak	2' BB
<i>Tilia americana</i>	Basswood	3' BB
<i>Ulmus davidiana</i> 'Morton'	Morton Elm	2.5' BB

Shrubs

Botanic Name	Common Name	Size
<i>Buxus x 'Glencoe'</i>	Glencoe Boxwood	24" BB
<i>Cornus sericea</i> 'Farrow'	Dwarf Redtwig Dogwood	24" BB
<i>Euonymus alatus</i> 'Compactum'	Compact Burning Bush	24" BB
<i>Hamamelis vernalis</i>	Vernal Witchhazel	3' BB
<i>Hydrangea arborescens</i> 'Annabelle'	Annabelle Hydrangea	24" BB
<i>Hydrangea paniculata</i> 'Tardiva'	Tardiva Hydrangea	30" BB
<i>Itea virginica</i> 'Morton'	Morton Sweetspire	24" BB
<i>Juniperus x media</i> 'Kallay's Compact'	Compact Juniper	18" BB
<i>Rhus aromatica</i> 'Gro Low'	Gro Low Sumac	18" BB
<i>Spiraea japonica</i> 'Gold Flame'	Gold Flame Spirea	18" BB
<i>Spiraea prunifolia</i>	Bridalwreath Spirea	3' BB
<i>Taxus x media</i> 'Tauntonii'	Taunton Yew	24" BB
<i>Viburnum dentatum</i> 'Ralph Senior'	Autumn Jazz Arrowwood	3' BB
<i>Viburnum x 'Juddii'</i>	Judd Viburnum	3' BB

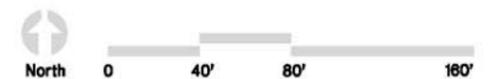
Perennials

Botanic Name	Common Name	Size
<i>Allium</i> 'Summer Beauty'	Summer Beauty Onion	#1 Cont.
<i>Ajuga x 'Chocolate Chip'</i>	Chocolate Chip Carpet Bugle	#1 Cont.
<i>Coreopsis verticillata</i> 'Zagreb'	Zagreb Tickseed	4" pots
<i>Hosta</i> 'Guacamole'	Guacamole Hosta	#1 Cont.
<i>Hemerocallis</i> 'Happy Returns'	Repeating Yellow Daylily	#2 Cont.
<i>Pennisetum alopecuroides</i> 'Cassian'	Cassian Fountain Grass	#1 Cont.
<i>Matteuccia struthiopteris</i>	Ostrich Fern	#1 Cont.
<i>Pachysandra terminalis</i> 'Green Carpet'	Green Carpet Pachysandra	#1 Cont.
<i>Rudbeckia subtomentosa</i>	Sweet Black-Eyed Susan	4" pots
<i>Salvia nemorosa</i> 'Wesuwe'	Wesuwe Meadow Sage	#1 Cont.
<i>Sedum</i> 'Autumn Joy'	Autumn Joy Stonecrop	#2 Cont.
<i>Sesleria autumnalis</i>	Autumn Moor Grass	#1 Cont.
<i>Stachys officinalis</i> 'Hummelo'	Hummelo Betony	#1 Cont.

Verandah - Hanover Park, Illinois

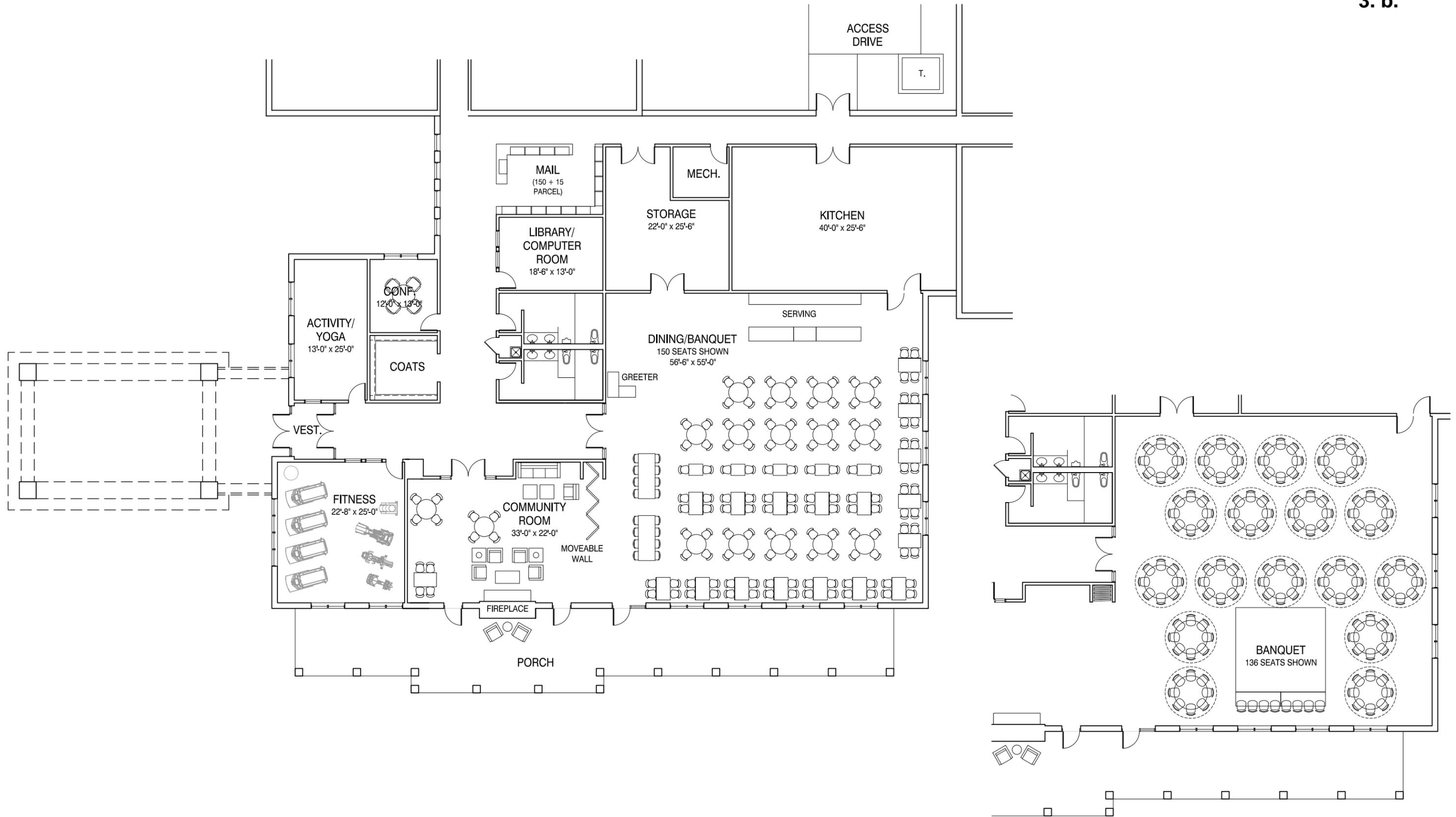
Landscape Plan

Aman Living, LLC



43 South Vail Avenue
Arlington Heights, Illinois 60005
Job No. 15025 © 2015





ADMINISTRATIVE POLICY HANOVER PARK, ILLINOIS



DIRECTIVE: 000

SUBJECT: **Economic Development Incentive Agreements**

POLICY: It is the policy of the Village of Hanover Park to offer incentives for business expansion or development within the Village limits utilizing guidelines set in place by this policy.

PURPOSE: The purpose of economic development incentive agreements is to assist in the maintenance and improvement of the Village's economic base.

POLICY STATEMENT:

In order to improve the Village's economic base, the Village Board may offer incentives for business development within Village limits.

Whether the Village participates in the agreement, and if it participates, the amount or nature of the incentive will be determined on a case-by-case basis. Overall, several key conditions should be met:

- The Village of Hanover Park shall require any economic development incentives provide a demonstrable quantitative and qualitative return on the Village's investment to be realized during a reasonable period of time after such investment.
- The Village's participation in the incentive agreement should be necessary to assure the feasibility of a private business to expand or develop within Hanover Park.
- That the business concept and operations are sustainable in the long-term and be able to operate without assistance following the conclusion of the incentive.

Consideration of an incentive also takes into account the extent to which the business or development will do the following:

- increase sales tax receipts
- improve the property tax base
- help the Village to remain economically viable and competitive with surrounding communities
- attract additional businesses or development to the Village

- provide additional goods and services to Hanover Park residents
- protect or increase the revenue base of the Village

The process for discussing the use of economic development incentives includes the following:

- Business or developer expresses interest in operating in Hanover Park
- Staff meets with interested party to discuss criteria, ground rules, and process
- Business or developer submits proposal for development of the property
 - Includes proposal for purchase of Village property or request for economic incentives as applicable
- Staff reviews and comments on the proposal (with the assistance of a consultant as needed)
 - Village administrative policies on sale of Village-owned property and use of economic development incentives guides Staff in this review
- Staff works with business or developer to draft a Redevelopment Agreement as needed
- Proposal, Redevelopment Agreement, and Staff comments are forwarded to the Village Board for review
- Notice of sale of Village-owned property is given and acted upon as required, including notice of call for alternative proposals in a local newspaper
- Village Board acts on the proposal, authorizing sale and agreements
- Final approval of the development will only be given after all necessary development approvals (planned unit development, special use, variance, etc) are granted