

# 2020

## FY2020 Budget Hearing Capital Budget

November 4, 2019

**TONI PRECKWINKLE**

President, Cook County Board of Commissioners





# **CAPITAL BUDGET OVERVIEW**

# Foundation for the FY2020 Capital Budget



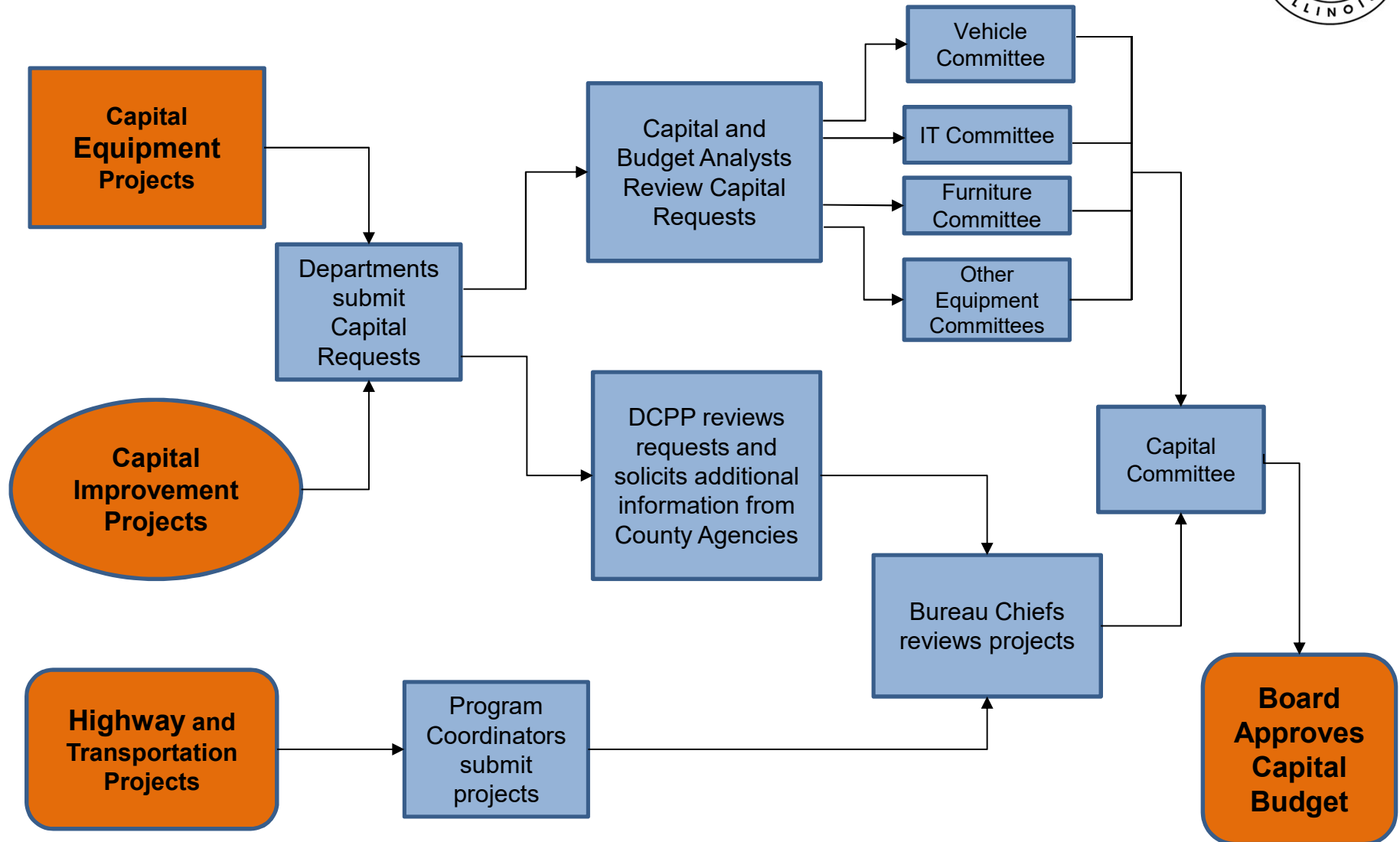
In FY2018, the Offices Under the President (OUP) spearheaded the Cook County *Policy Roadmap: Five-Year Strategic Plan for Offices Under the President*

However, using this policy framework to improve outcomes for residents requires continuous coordination and collaboration with separately elected officials and other partners.

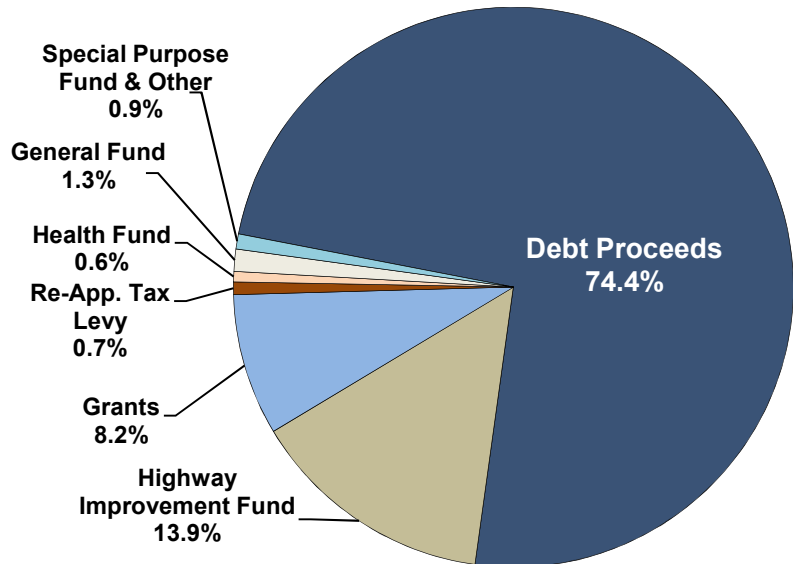
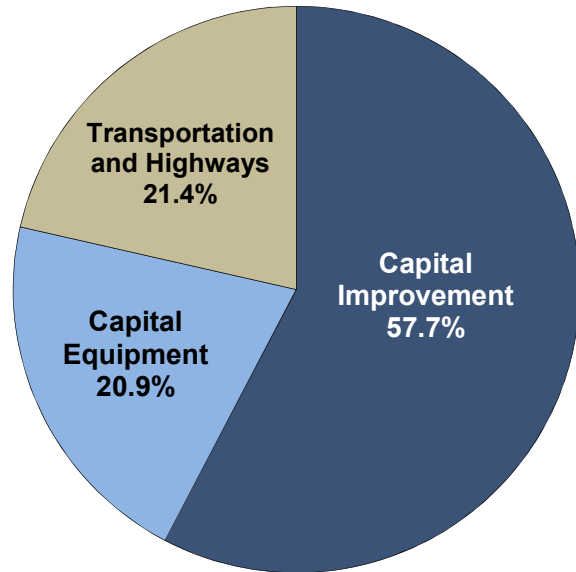
The six policy priorities are the foundation for the FY2020 budget.



# Capital Review Process



# Capital Budget Uses & Sources



Project Category	Amount (\$ millions)
Capital Improvement	283.5
Capital Equipment	102.6
Transportation and Highways	105.4
<b>Total</b>	<b>\$491.5</b>

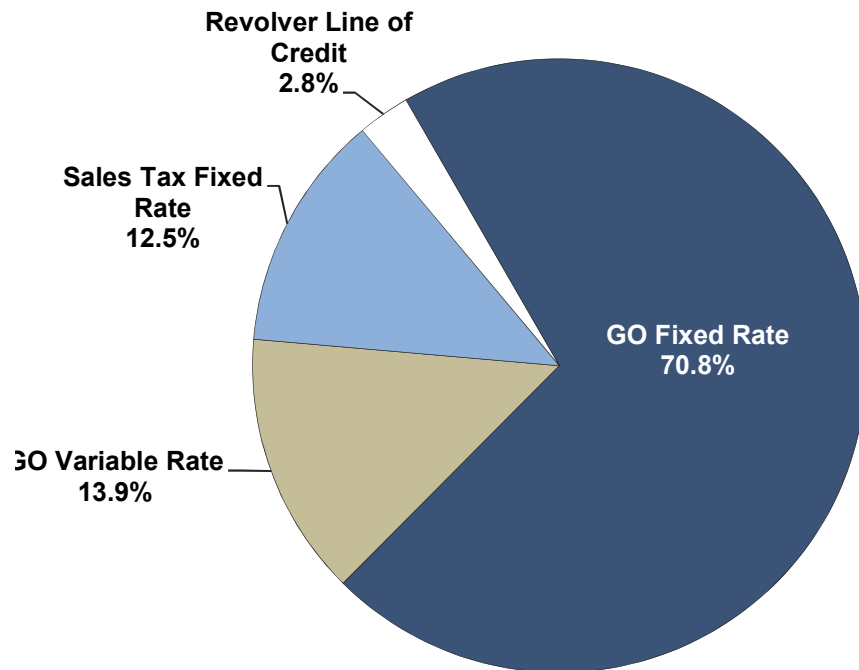
Sources	Amount (\$ millions)
Debt Proceeds	365.6
Highway Improvement Fund	68.4
Grants	40.3
Capital Tax Levy	3.6
Health Fund	3.0
General Fund	6.3
Special Purpose Fund & Other	4.3
<b>Total</b>	<b>\$491.5</b>

# County Debt Profile



Judicious management of debt allows the County to enjoy investment grade bond ratings and lower cost of borrowing

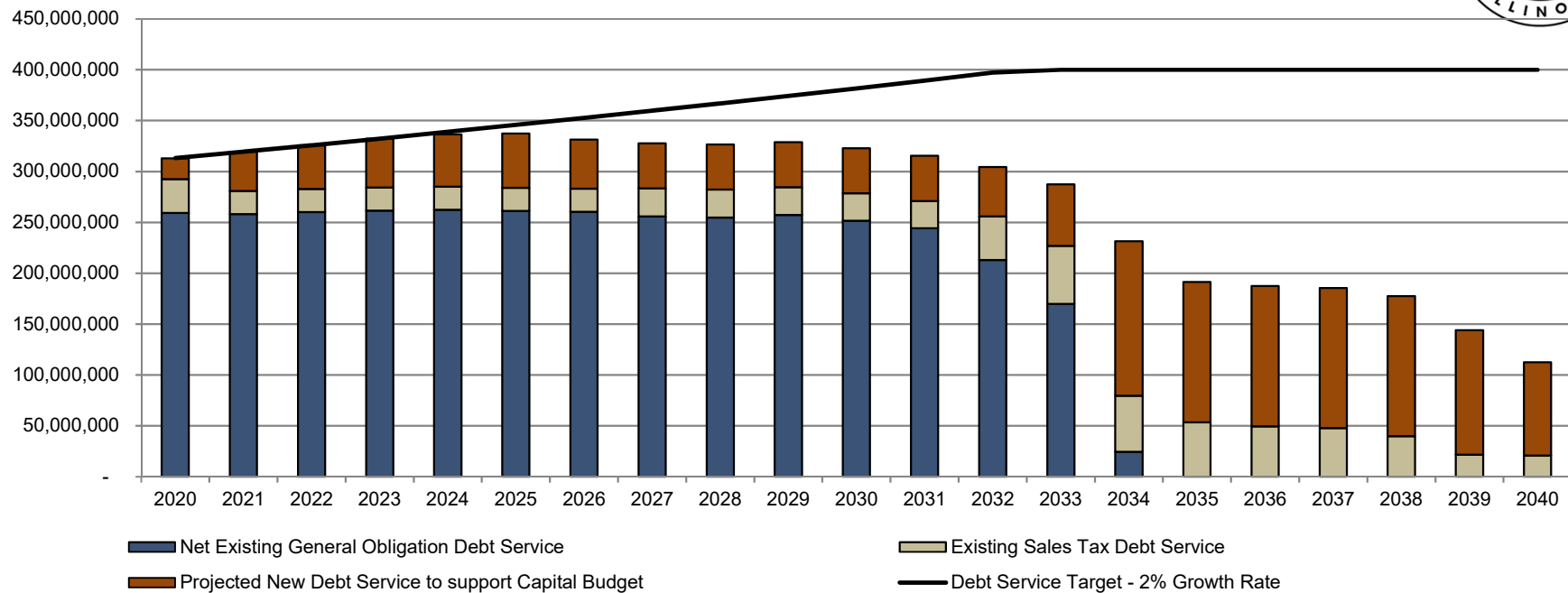
**Total Principal Outstanding**  
**\$3.3 billion**



## Current Credit Ratings

General Obligation Debt		
Rating Agency	Rating	Outlook
S&P Global Ratings	AA-	Negative
Fitch Ratings	A+	Stable
Moody's Investor Services	A2	Stable
Sales Tax Debt		
Rating Agency	Rating	Outlook
Kroll Bond Rating Agency	AAA	Stable
S&P Global Ratings	AA	Negative

# Projected Debt Service to support the Capital Plan



In the County devised a long-term plan to manage its debt, which included the following:

1. Create a debt structure that rises by no more than 2% annually up to \$400M, including all anticipated new issuances; a growth rate that would match the long-term Federal Reserve inflation forecast
2. Utilize all refunding opportunities to focus savings in key years to keep with 2% growth target
3. Minimize interest costs by utilizing the line of credit to fund capital projections during construction and acquisition phases
4. Actively manage variable rate debt portfolio to take advantage of low interest rate environment

Note: Existing debt service values include projected refundings of Series 2009C, 2009D, 2010A, and 2010G Bonds.





# **CAPITAL IMPROVEMENT PROJECTS (CIP)**





# Unlocking the Value of Our Assets



## Strategic Framework

- Real Estate Asset Strategic Realignment Plan (REASRP) is the guideline
- Cook County Policy Roadmap
- Data to drive investment decisions in our facilities

## Capital Plan Development

- Work with user agencies to identify efficiencies, critical upgrades, or replacements
- Estimate costs of improvements
- Prioritize improvements along County's long-term objectives
- Develop capital plan and budget to sustain facilities, support core functions, and reduce long-term recurring operational costs

## Green Buildings Program (GBP)

- Use the GBP initiative to reduce the environmental impact of our County buildings and create a positive impact on communities
- Leverage revenues from high-performance design project to yield measurable reductions in operating costs

## FY2020 Capital Improvements

- Focused on funding needs of Priorities 1, 2 & 3
- Prioritize work to be completed by in-house trades
- Appropriation request for FY2020 is **\$283.5 million**

## Priorities for Maintenance and Replacement

### Priority 1: Currently Critical (Immediate)

Conditions require immediate action to correct a cited safety hazard, stop accelerated deterioration, or return a facility to operation.

### Priority 2: Potentially Critical (Years 1-2)

Conditions, if not corrected expeditiously, will become critical within a year resulting in intermittent operations, rapid deterioration, potential life safety hazards, etc.

### Priority 3: Necessary/Not Yet Critical (Years 3-4)

Conditions require appropriate attention to avoid predictable deterioration, potential downtime, or associated damage or higher costs if deferred further.

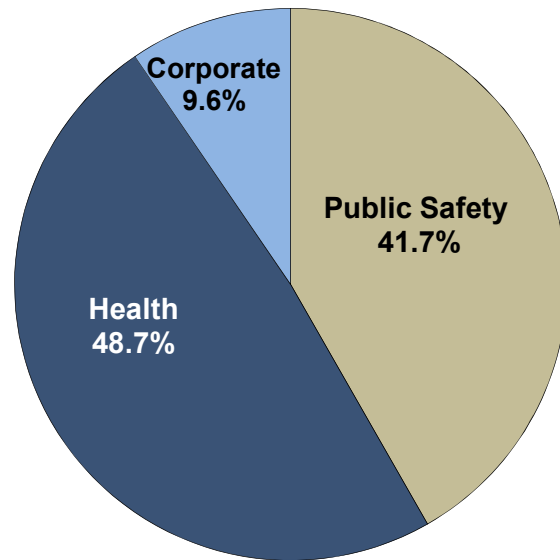
### Priority 4: Recommended (Years 5-10)

Conditions include items that represent sensible improvement to existing conditions but are not required for the basic function of the facility, overall usability improvements, or long-term maintenance cost reduction.

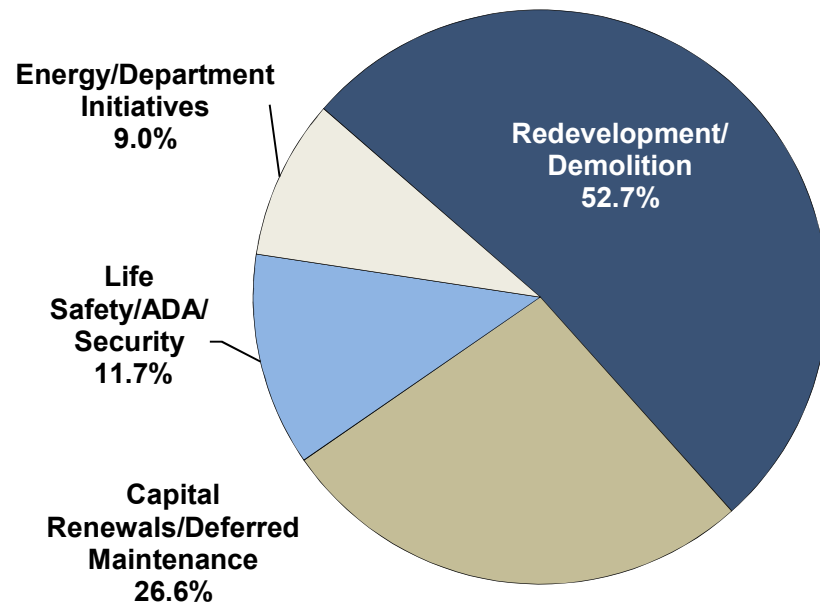
### Priority 5: Does Not Meet Current Codes but is "Grandfathered"

No action is required at this time; however, renovation work performed in the future may trigger correction.

# FY2020 Capital Improvement Program by Category & Portfolio



Portfolio	Amount ( millions)
Public Safety	118.0
Health	138.3
Corporate	27.2
<b>Total</b>	<b>\$283.5</b>



Program Category	Amount (\$ millions)
Redevelopment/Demolition	149.5
Capital Renewals/Deferred Maintenance	33.1
Energy/Department Initiatives	75.4
Life Safety/ADA/Security	25.5
<b>Total</b>	<b>\$283.5</b>



# Major 2020 CIP Projects

## Smart Communities

### ***Corporate Facilities***

SMART  
COMMUNITIES

- Renovation and consolidation at County Building
- Dunne Building re-stack
- Optimize technology solutions in buildings
- Implement Workplace Strategy & Design guidelines

## Healthy Communities

### ***Health and Hospital***

HEALTHY  
COMMUNITIES

- Provident replacement hospital
- Stroger Hospital major renovations
- Community based healthcare centers

## Safe & Thriving Communities

### ***Public Safety***

SAFE AND  
THRIVING  
COMMUNITIES

- Demolition of DOC Division I & IA
- DOC Campus Master Plan
- Phase II DOC campus roof replacements
- Court Utilization Plan Phase II
- Planning for Access to Justice Initiative
- Courthouses hardening planning & design (UASI)

## Sustainable Communities

### ***Countywide***

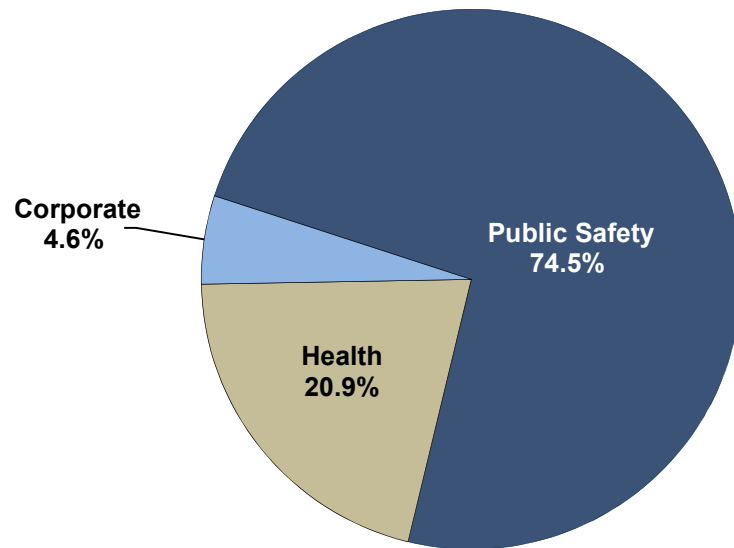
SUSTAINABLE  
COMMUNITIES

- Green Building Program, efficiencies, and rebates
- Countywide solar installations
- Life safety and ADA upgrades
- Gender Neutral Restrooms and Mothers' Rooms
- Roof and building envelope renovations

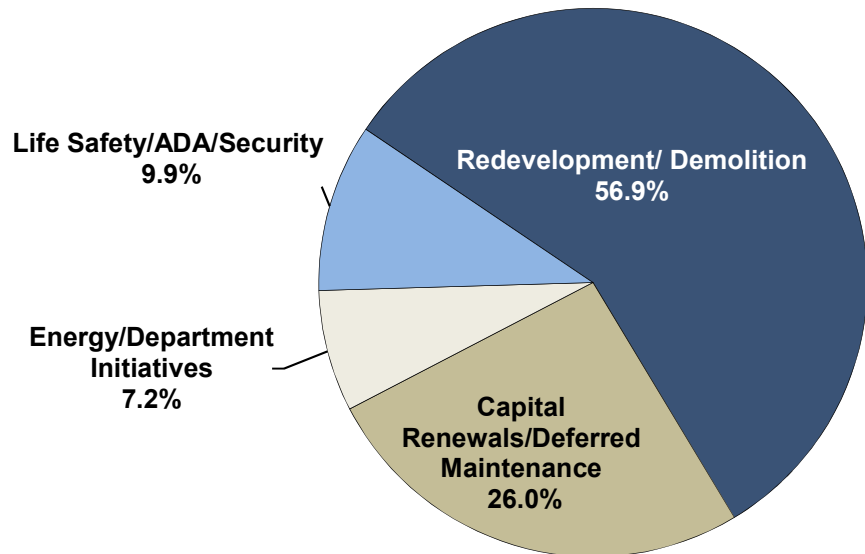


*Provident Hospital - The Bureau of Asset Management, in partnership with CCH, will begin planning for a new Replacement Hospital on the Provident Campus.*

## FY2020-2029 Capital Improvement Program by Category & Portfolio



Program Portfolio	Amount (\$ millions)
Public Safety	1,577.6
Health	443.1
Corporate	97.5
<b>Total</b>	<b>\$2,118.2</b>



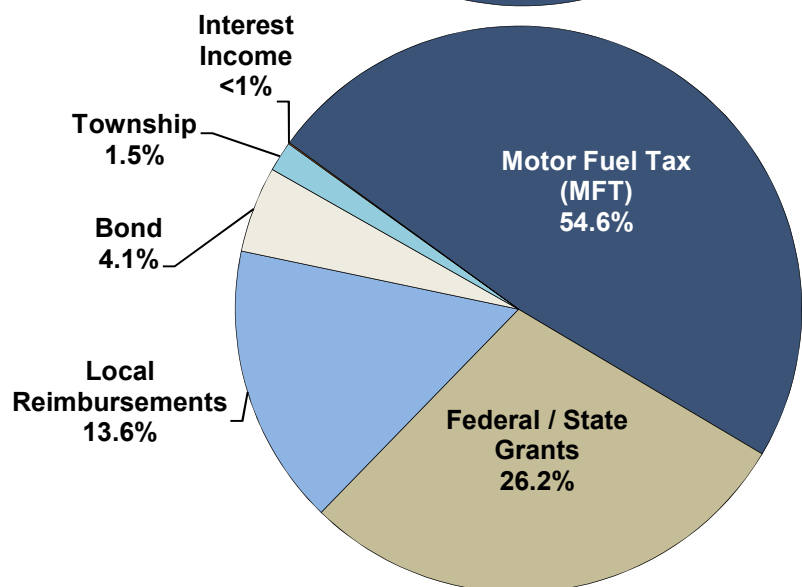
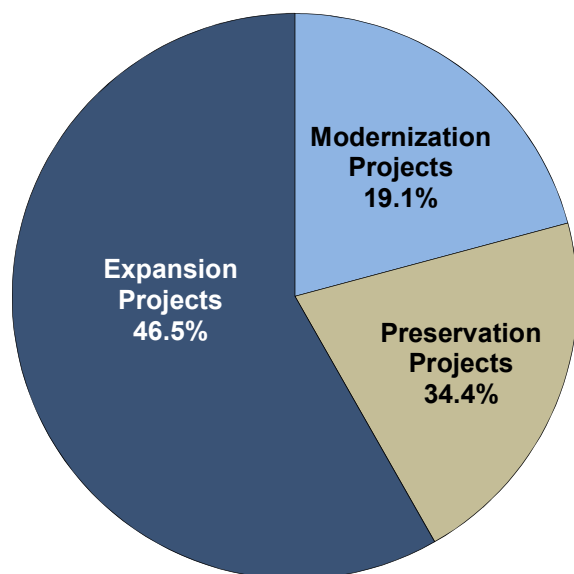
Program Category	Amount (\$ millions)
Redevelopment/Demolition	1,205.9
Capital Renewals/Deferred Maintenance	550.9
Energy/Department Initiatives	151.5
Life Safety/ADA/Security	209.9
<b>Total</b>	<b>\$2,118.2</b>

A grayscale photograph of a freight train with several stacked shipping containers, moving along a set of railroad tracks. The tracks are in the foreground, and the train extends into the distance. The image is faded and serves as a background for the title.

# **TRANSPORTATION & HIGHWAYS PROJECTS**



# FY2020 Transportation Projects by Category & Funding



Project Category	Amount (\$ millions)
Modernization Projects	43.1
Preservation Projects	77.8
Expansion Projects	105.2
<b>Total</b>	<b>\$226.1</b>

Funding Source	Amount (\$ millions)
Motor Fuel Tax (MFT)	123.5
Federal / State Grants	59.2
Local Reimbursements	30.7
Bond	9.2
Township	3.4
Interest Income	0.1
<b>Total</b>	<b>\$226.1</b>

\* Includes non-capitalizable projects.



# Support for the Policy Roadmap



Policy Roadmap		LRTP Priority				
Policy Priority	Strategy	Transit	Freight	Equity	Modernize	Increase Investment
 <b>Sustainable Communities</b>	Promote connectivity between jobs, transportation, and land use.					
	Invest in transportation systems that decrease emissions.					
 <b>Vital Communities</b>	Ensure equitable and inclusive investments.					
	Grow key economic clusters.					
	Facilitate multimodal transportation to encourage growth.					
 <b>Smart Communities</b>	Coordinate transportation investments across jurisdictions.					
	Use data to make transportation more efficient.					



# Major Projects in Design and under Construction



## Projects Under Construction

### **Lake Cook Road** – Raupp Boulevard to Hastings Lane

- New roadway construction/reconstruction
- Traffic signal improvements
- Shared use path
- Partnership with IDOT, Lake County, Buffalo Grove, and Wheeling

### **County Line Road** – at North Avenue (S01-A)

- New tollway ramp interchange from southbound I-294
- New roadway construction/reconstruction
- Traffic signal improvements
- Partnership with Illinois Tollway, IDOT, Northlake, and Elmhurst

### **County Line Road** – I-294 to Grand Avenue (S01-B)

- New roadway construction/reconstruction
- Traffic signal improvements
- Partnership with Illinois Tollway, IDOT, and Elmhurst

### **Touhy Avenue** – Elmhurst Road to Mount Prospect Road

- Improved freight mobility in busy manufacturing cluster adjacent to O'Hare airport
- Roadway reconstruction
- New shared use path
- Partnership with Illinois Tollway, DuPage County, Elk Grove Village, and Des Plaines

### **Roberts Road** – Valley Drive to 87<sup>th</sup> Street

- 2.8 miles of resurfacing and traffic signal replacements

### **Invest in Cook**

- 15 construction projects advancing to local or state lettings

### **Countywide Paving Contracts**

- 16+ miles of HMA overlay or concrete patching

## Projects in Design

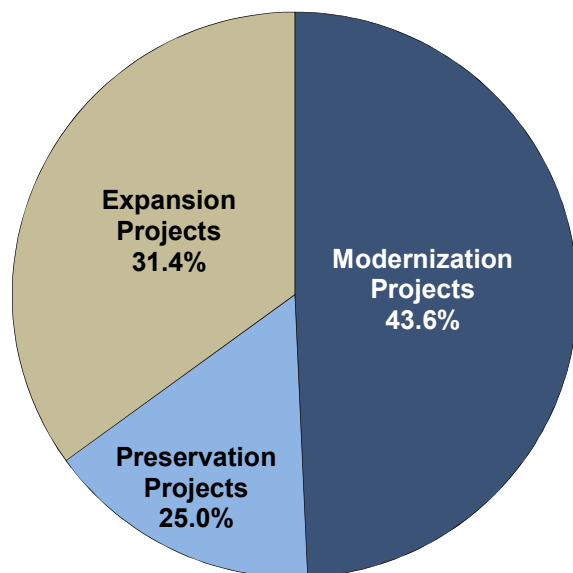
- **Joe Orr Road**—Torrence Avenue to Burnham Avenue
- **Kedzie Avenue** – 159<sup>th</sup> Street to Vollmer Road
- **Crawford Avenue** – 127<sup>th</sup> Street to 143<sup>rd</sup> Street
- **Plainfield Road** – County Line to East Avenue
- **Busse Road** – Golf Road to Central Road
- **Sanders Road** – Milwaukee Avenue to Techny Road
- **108<sup>th</sup> Avenue** – 167<sup>th</sup> Street to 159<sup>th</sup> Street



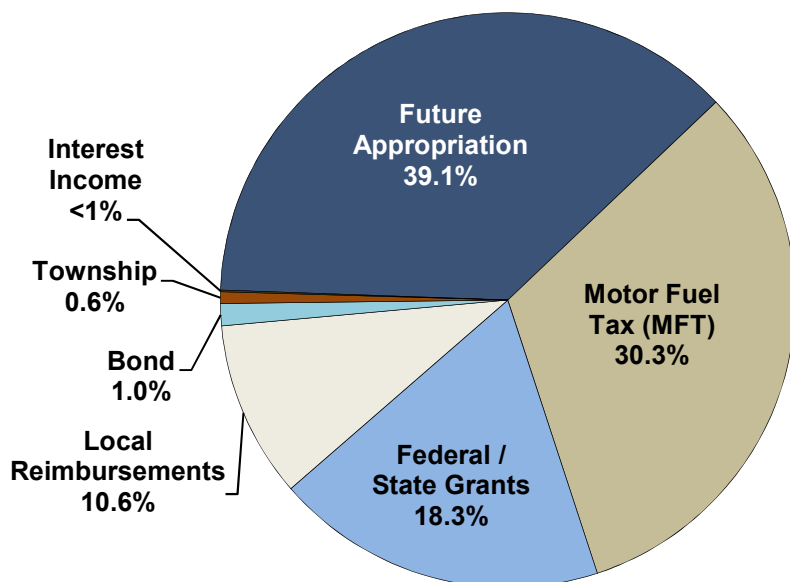
*Pavement rehabilitation on Kedzie Ave from County Air Dr to 147<sup>th</sup> St (PPRPS 2019)*



## FY2020-2024 Transportation Program by Category & Funding



Project Category	Amount (\$ millions)
Modernization Projects	403.1
Preservation Projects	230.6
Expansion Projects	290.4
<b>Total</b>	<b>\$924.1</b>



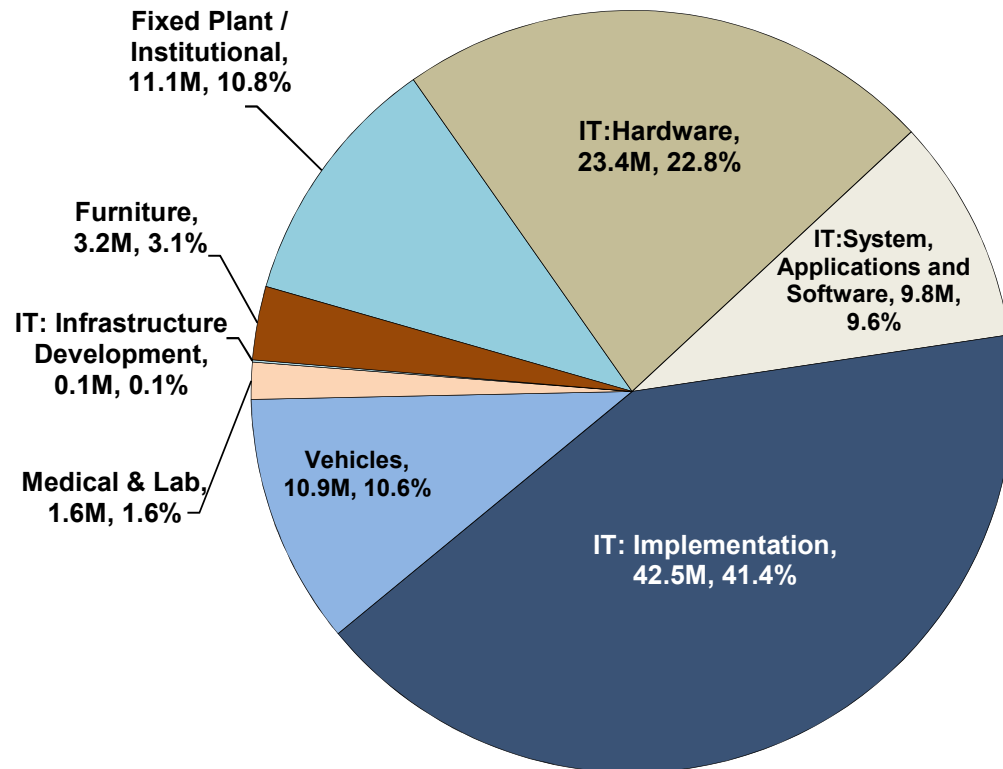
Funding Source	Amount (\$ millions)
Future Appropriation	361.6
Motor Fuel Tax (MFT)	280.1
Interest Income	0.6
Federal / State Grants	169.0
Local Reimbursements	98.4
Bond	9.3
Township	5.1
<b>Total</b>	<b>\$924.1</b>



# Capital Equipment Projects (CEP)

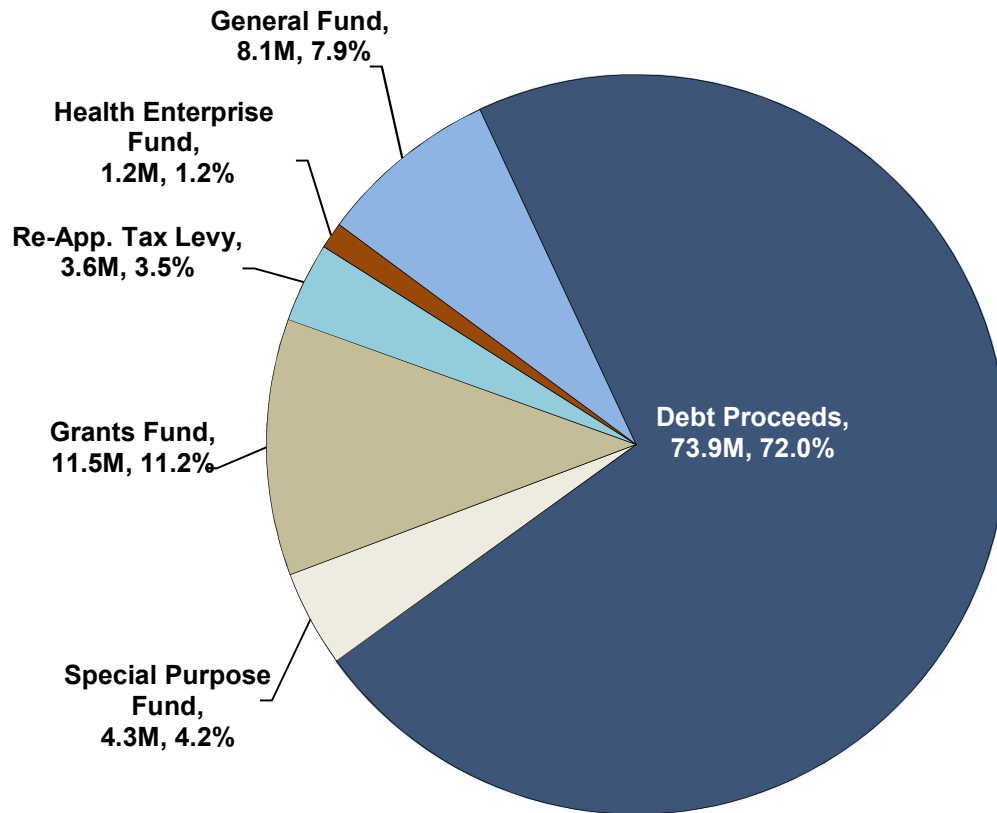


# FY2020 Capital Equipment Recommendations



Project Type	Amount (\$ millions)
Fixed Plant / Institutional	11.1
Furniture/Office Equipment	3.2
IT: Hardware	23.4
IT: Infrastructure Development	0.1
IT: Implementation	42.5
IT: Systems, Applications & Software	9.8
Medical & Lab	1.6
Vehicles	10.9
<b>Total</b>	<b>\$102.6</b>
<b>Amount Requested</b>	<b>\$194.5</b>
<b>Amount Recommended</b>	<b>\$102.6</b>

# FY2020 Capital Equipment By Funding Sources



Funding Sources	Amount (\$ millions)
Debt Proceeds	73.9
Grants Fund	11.5
General Fund	8.1
Special Purpose Fund	4.3
Re-App. Tax Levy	3.6
Health Enterprise Fund	1.2
<b>Total</b>	<b>\$102.6</b>

# Technology Strategy

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## APPLICATION MODERNIZATION

- Migrate legacy applications to a new platform, merging redundant applications whenever possible.
- Focus on systems flexible enough to meet the needs of the County that require minimal changes; saving cost and eliminating excessive time to completion.
- Align staff and skills to a more customer-centric approach.



## HYBRID CLOUD INFRASTRUCTURE

- Smart mix of on-premises and off-premises infrastructure.
- Disaster recovery for all critical applications and data.
- Keeping pace with the exponential growth of data and digital records



## RESIDENT TECHNOLOGY ENGAGEMENT

- Open Data
- Digital access for underserved residents
- Digital mapping services

# Major IT Project Strategic Areas



## APPLICATION MODERNIZATION

Integrated Tax Processing System (ITPS) for the Department of Revenue	\$1.5.0M
Integrated Property Tax System (IPTS) for the Assessor, County Clerk, and Treasurer	\$13.0M
Case Management System for Adoption and Asset Management	\$2.9M
EBS (ERP) Financials Integration and Implementation	\$2.0M
Clerk of the Circuit Courts Case Management System	\$12.7M



## HYBRID CLOUD INFRASTRUCTURE

Countywide Unified Communications (VOIP) – deployment underway for CCHHS, Sheriff's campus & Core Facilities	\$3.3M
Hosting Consolidation will offer improved services & disaster recovery	\$2.5M
Enterprise Service BUS for justice data sharing across public safety partner agencies	\$1.0M

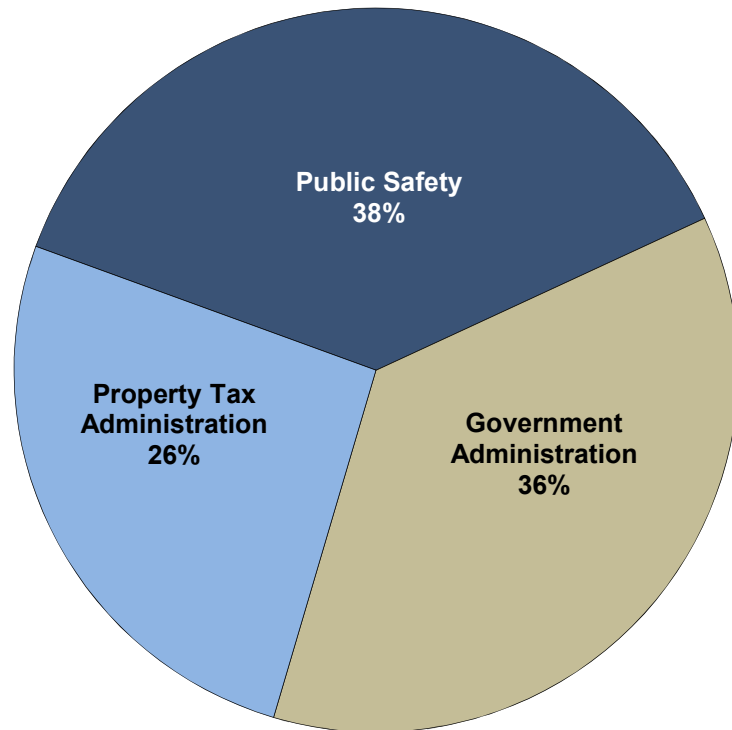


## RESIDENT TECHNOLOGY ENGAGEMENT

Citation Management System for centralized electronic citations for multiple County departments	\$1.3M
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# FY2020 Technology Investment by Function



Project Type	Amount (\$ millions)
Public Safety	28.5
Government Administration	27.6
Property Tax Administration	19.7
<b>Total</b>	<b>\$75.8</b>

\* Maintenance and hosting for Enterprise systems will be cross-charged to department budgets upon completion of implementation and per agreed upon methodology based on usage