

CITY OF EVANSTON

Weekly Budget Memos
FY 2026 Proposed Budget
November 24, 2025



City of
Evanston[™]

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The Purpose of this Document

Throughout Fall 2025, members of the City Council, City of Evanston staff, and members of the public will hold committee/council meetings, ward meetings, and public hearings to discuss the [FY 2026 Proposed Budget](#).

Coming out of these public forums, Councilmembers, staff, and members of the public may request additional information or clarification about topics related to the FY 2026 Proposed Budget. This document is meant to address those requests and questions posed to staff.

The memos below are the staff responses to those requests for information and clarifying questions. This document will be refreshed around once per week until the FY 2026 Budget is adopted by City Council.

Friday, October 17 Memos



Memorandum

To: City Manager and CFO/Treasurer
 From: Clayton Black, Deputy Chief Financial Officer
 Subject: Impact of City Property Tax Increase
 Date: October 17, 2025

Impact of City Property Tax Increase

CMO Request:

What is the impact of the increased City property tax levy on median value homes in Evanston.

Staff Response:

The table below shows the impact of the increased property tax levy on median value homes of various types.

FY 2026 Proposed Property Tax Increase (2023 Tax Rates)

Market Value of Property	Detail	10% Market Assessed Value	Equalized Value	Estimated City/Library Tax	Projected City/Library Tax (w/ 12.9% increase)	Amount of Increase
\$294,000	Condo	\$29,400	\$88,679	\$1,347	\$1,521	\$174.04
\$454,600	Median	\$45,460	\$137,121	\$2,083	\$2,352	\$269.12
\$620,000	Multi-Family	\$62,000	\$187,011	\$2,841	\$3,208	\$367.03
\$675,000	Single-Family	\$67,500	\$203,600	\$3,093	\$3,492	\$399.59



Memorandum

To: City Manager and CFO/Treasurer
 From: Sameer Notta, Finance Manager Evanston Public Library
 Subject: Library Property Tax Increase
 Date: October 17, 2025

Library Property Tax Increase

City Council Request:

Can the council receive a breakdown of costs/expenses that necessitate an increase to the Library's property tax levy?

Staff Response:

The Evanston Library Board has approved a 10% operating levy in alignment with the Library's strategic plan and objectives. Over the past two years, the budget primarily focused on personnel expenses. For FY 2026, the Library is emphasizing staff training and development, offering enhanced programs to the Evanston community, and expanding its collections to better serve patrons. This approach ensures the Library remains current and responsive to community needs.

At the request of the City Council, below is the expense breakdown for Budget FY 2026 compared with Budget FY 2025 for your reference.

Account Name	2025 Budget	2026 Budget	% Change in Budget
185 - Library Operating Expenses			
Personnel Expense*	\$ 7,523,423	\$ 7,887,205	4.84%
Collection	\$ 875,000	\$ 942,100	7.67%
Training & Development	\$ 30,000	\$ 99,000	230.00%
Consulting	\$ 100,000	\$ 120,000	20.00%
Program	\$ 104,000	\$ 132,500	27.40%

Building Maintenance	\$ 483,602	\$ 469,270	-2.96%
Fund Transfer to City	\$ 350,000	\$ 350,000	0.00%
Other Library Expense	\$ 540,342	\$ 480,800	-11.02%
TOTAL	\$ 10,006,367	\$ 10,480,875	4.74%
186 - Library Debt Service Expense			
Debt Service Principal	\$ 370,083	\$ 356,396	-3.70%
Debt Service Interest	\$ 206,863	\$ 191,427	-7.46%
TOTAL	\$ 576,946	\$ 547,823	-5.05%
187 Library Capital Project Expense			
Capital Improvement Project	\$ 1,900,000	\$ 1,155,000	-39.21%
TOTAL	\$ 1,900,000	\$ 1,155,000	-39.21%
Total of All Accounts (185-187)	\$ 12,483,313	\$ 12,183,698	-2.40%

*Personnel Expense includes a 3% vacancy rate



Memorandum

To: City Manager and CFO/Treasurer
From: Clayton Black, Deputy CFO
Subject: Solid Waste Fund Reserves
Date: October 17, 2025

Solid Waste Fund Reserves

City Council Request:

Why are yard waste and special pickup fee increases recommended in FY 2026 when the Solid Waste Fund given the current fund balance?

Staff Response:

The Solid Waste Fund continues to face structural challenges. Established in 2011 as an enterprise fund, it is intended to operate without reliance on property taxes or General Fund subsidies. However, unlike the City's other enterprise funds, it has operated at a financial loss every year since its inception—requiring more than \$1 million annually in property tax support, along with occasional General Fund transfers.

The fund balance policies for the Solid Waste Fund stated:

- “(The Solid Waste Fund)...is an enterprise fund and as such is expected to be self-sufficient. As a result, rates should be scheduled to increase to meet the costs of solid waste operations, debt service, and capital projects. Transfers to other funds for administrative expenses should be maintained to reflect true program costs.
- “A minimum of 16.6% of expenses shall be maintained as a reserve; in addition, a sufficient reserve shall be maintained to satisfy debt requirements. A portion of this fund reserve shall be used to fund depreciation and capital improvement needs.”

The Solid Waste Fund finished FY 2024 with an audited fund balance of \$3.7 million and a cash balance of \$3 million. The table on the following page shows the components of this fund and the cash balance calculation.

Solid Waste Fund and Cash Balance (FY 2024 audit)

	Fund Balance	Cash Balance
Current Assets		
Cash and Equivalents	\$1,924,749	\$1,924,749
Receivables (property taxes)	\$950,000	\$ -
Receivables (billed and unbilled)	\$1,052,024	0
Due from other funds	\$1,057,557	\$1,057,557
Non-Current Assets	\$705,591	\$ -
Deferred Outflows of Resources	\$683,963	\$ -
Current Liabilities		
Vouchers Payable	\$569,129	\$ -
Other	\$106,419	\$ -
Non-Current Liabilities	\$239,689	\$ -
Deferred Inflow of Resources	\$1,025,268	\$ -
Net Investment in Capital Assets	\$661,807	\$ -
Restricted for Pensions	\$43,784	\$ -
Total (Audited as of 12/31/24)	\$3,727,788	\$2,982,306

The most recent financials show the fund with an unaudited fund balance of \$3.8 million and a cash balance of \$2.7 million. This fund balance has been built up over the past five years as a result of the following:

- \$5.8 million in property tax levy support from 2021 to 2025
- A \$1 million General Fund transfer in 2022
- Delays in receiving replacement garbage trucks
- Extended staff vacancies exceeding 20%

This current fund balance is allocated as follows:

- \$1.26 million reserve balance for FY 2026
- \$731,000 for two trucks expected by year-end
- \$335,000 for one truck arriving in 2026
- \$877,000 to cover the FY 2026 operating deficit, primarily driven by 3% increases to wages, 4% increases for contractual services, and a reduction of the property tax levy.
- The remaining \$597,000 will likely be required to cover structural deficits in future years to avoid more drastic rate increases as the fund reduces its reliance on subsidies.

In alignment with the City’s fund balance policy, the FY 2026 budget proposes a \$500,000 reduction in the property tax levy. This reduction will be partially offset by targeted fee increases for yard waste and special bulk pickup — two services that currently require the highest subsidy to operate. Given the persistent structural deficit and the fund’s enterprise designation, these targeted rate adjustments instead of one time steep rate increase are a prudent step toward long-term sustainability of the fund.



Memorandum

To: Council Member Suffredin
From: Sarah Flax, Community Development Director
Subject: ARPA Projects and Programs
Date: October 16, 2025

ARPA Projects and Programs

City Council Request:

Are there any programs/expenses currently paid for with ARPA funds that the City's budget is proposing to continue after those funds expire? If so, what are the programs and costs?

Staff Response:

No programs were fully funded with ARPA that the City has committed to continuing after those funds are used. Some programs were funded in part with ARPA, and there are also some instances where ARPA has been used for salaries and benefits of staff working on ARPA-funded programs or projects that have offset costs budgeted in either the General or Human Services Fund that will not be continued beyond 2026. These are outlined below:

- \$45,000 of ARPA was allocated to offset Human Services staff salaries and benefits in 2025 and 2026 for work to locate rental housing units for households receiving rent assistance from the two housing assistance programs funded as part of Participatory Budgeting.
- \$40,000 of ARPA was allocated to offset salaries and benefits of Parks & Recreation staff in 2025 and 2026 to implement the Urban Farm project and Youth Drop-in Center program that were funded as part of Participatory Budgeting.
- \$210,000 of ARPA was allocated for a Youth & Young Adult Drop-In program as part of Participatory Budgeting. Staff expects to use approximately half of the funding for furniture at a drop-in center, and half for salaries and benefits of existing Youth & Young Adult program staff, offsetting about \$105,000 of costs budgeted in the Human Services Fund between 2025 and 2026.

- \$458,100 of ARPA was allocated for Aspire Workforce Development internships with Endeavor Health and the Mather. Program delivery costs, including staff salaries and benefits for this program, are budgeted in the Human Services fund.
- \$400,000 of ARPA originally allocated for the Pathways to Wellness Program will be used to cover salaries and benefits for the CARE Team in 2025 and 2026. These ARPA funds were reallocated to City expenses budgeted in the Human Services Fund, and \$400,000 from the Human Services Fund was allocated to the Pathways to Wellness Program to allow time to develop and implement that program, so it does not offset costs budgeted in the Human Services Fund. City Council approved this realignment of funding sources on June 9, 2025.



Memorandum

To: City Manager and CFO/Treasurer
From: Lara Biggs, City Engineer
Subject: 100% Sidewalk Program
Date: October 17, 2025

100% Sidewalk Program

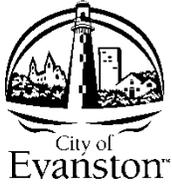
City Council Request:

How many residents participate in the Sidewalk Improvement Program by paying 100% of the cost of their sidewalk replacement?

Staff Response:

The first year of the new Sidewalk Improvement Program was 2022. Most of the sidewalk is replaced by the City paying the full cost, but there is an option to have specifically requested sidewalk locations prioritized. The following is a table of how many participated in the program using the option to pay 100% of their sidewalk replacement cost:

Year	# of Properties that Participated	Total Cost
2022	15	\$22,953.90
2023	9	\$20,881.07
2024	3	\$6,986.33
2025	0	\$0.00



Memorandum

To: City Manager and CFO/Treasurer

From: Michael Van Dorpe, Senior Financial Analyst
Clayton Black, Deputy Chief Financial Officer

Subject: Staff Reductions

Date: October 17, 2025

Staff Reductions

City Council Request:

Please model \$3mm in staff cuts [in the General Fund].

Staff Response:

If staff were asked to consider a \$3 million reduction in staffing in the General Fund (including the Parks and Recreation Fund), one approach would be to consider distributing that total reduction across all departments as a percentage of their personnel costs in the General Fund. That is, if the Fire Department personnel costs were X% of all personnel costs in the General Fund, then we'd allocate X% of \$3 million to be reduced in the Fire Department.

Table 1

Department	FY 2026 GF Personnel Costs	% of Total GF Personnel Costs	Proportion of \$3,000,000 (\$)
City Clerk	\$ 214,034	0.23%	\$ 6,956
City Manager's Office	\$ 7,836,453	8.49%	\$ 254,664
Law	\$ 1,518,541	1.64%	\$ 49,349
Admin Services	\$ 6,923,185	7.50%	\$ 224,985
Community Development	\$ 4,548,610	4.93%	\$ 147,818
Police*	\$ 30,386,201	32.92%	\$ 987,472
Fire*	\$ 18,700,506	20.26%	\$ 607,717
Health & Human Services	\$ 1,571,648	1.70%	\$ 51,074

Parks & Recreation	\$ 8,943,812	9.69%	\$ 290,650
Public Works	\$ 11,672,159	12.64%	\$ 379,315
TOTAL	\$ 92,315,149	100.00%	\$ 3,000,000

*Excludes Public Safety Pension Contributions

Within each department and across departments, wages and benefits costs can vary. Using the midpoint total employee costs for each department (FY 2026 budgeted wages, taxes, and benefits), an approximate FTE count that equals the amount required to cut for each department is in Table 2.

Table 2

Department	Proportion of \$3,000,000 (\$)	Median FTE Cost* within Department	Approximate FTE Count
City Clerk	\$ 6,956	\$ 107,017	0.1
City Manager's Office	\$ 254,664	\$ 141,074	1.8
Law	\$ 49,349	\$ 165,538	0.3
Admin Services	\$ 224,985	\$ 127,970	1.8
Community Development	\$ 147,818	\$ 123,968	1.2
Police**	\$ 987,472	\$ 148,459	6.7
Fire**	\$ 607,717	\$ 164,438	3.7
Health & Human Services	\$ 51,074	\$ 111,583	0.5
Parks & Recreation	\$ 290,650	\$ 91,490	3.2
Public Works	\$ 379,315	\$ 131,815	2.9
TOTAL	\$ 3,000,000	n/a	22.0

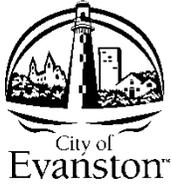
*Includes Budgeted FY 2026 wages, taxes, and benefits

**Excludes Public Safety Pension Contributions

Other Considerations

The totals above do not account for certain factors that could impact targeted staffing reductions. These include conflicts with City Council priorities, the need to negotiate with collective bargaining units, and potential implications for public safety. The figures also include part-time and full-time positions. Departments with a greater share of part-time positions will have a lower median FTE figure because part-time positions do not include health insurance costs. The lower median cost could impact the number of positions that would need to be cut. All of these other factors could dramatically change what positions and services would be impacted as a result of staffing reductions of this magnitude.

Monday, October 27 Memos



Memorandum

To: City Manager and CFO/Treasurer
 From: Hitesh Desai, CFO
 Subject: Property Tax Timing and Fiscal Outlook
 Date: October 24, 2025

Property Tax Timing and Fiscal Outlook

City Council Request:

Do we have any updates on the release of funds from Cook County? I know last time we met we were still waiting. The reason I ask is to find out if we anticipate any cash flow issues and at what point we would either dip into reserves or access short-term credit.

Staff Response:

As of October 24, 2025, Cook County has not provided an update on the timing of second installment property tax bills. To date, the City has received \$30.5 million of the \$56.8 million FY2025 property tax levy, with \$26.3 million still outstanding. Of this remaining amount, approximately \$17 million will be available to the City, while \$9.3 million is allocated directly to the Public Safety Pension Funds.

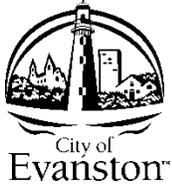
Levy	2025 Actual	2025 Budget	Difference
General Fund Corporate/IMRF	\$5,102,376	\$9,449,797	\$4,347,421
Public Safety Pensions	\$10,732,561	\$19,990,105	\$9,257,544
General Assistance Fund	\$579,016	\$750,000	\$170,984
Human Services Fund	\$1,825,000	\$3,650,000	\$1,825,000
Library Fund	\$4,444,135	\$8,624,347	\$4,180,212
Debt Service - Library	\$288,473	\$576,946	\$288,473
Debt Service - City	\$7,015,553	\$12,766,093	\$5,750,540
Solid Waste Fund	\$475,000	\$950,000	\$475,000
TOTAL	\$30,462,115	\$56,757,288	\$26,295,173

Between now and the end of FY2026, the City faces several significant financial commitments:

- Public Safety Pension Contributions: To date, the pension funds have received \$15.5 million of their \$29.6 million budgeted contribution. The remaining \$13.1 million will be covered by second installment property taxes (\$9.3 million) and General Fund excess reserves (\$4.8 million).
- Debt Service: The City will owe approximately \$19.2 million in principal and interest payments on GO bonds, IEPA loans, and federal WIFIA loans due December 1, 2025.
- Capital Projects: Bonds have not yet been issued for 2024 or 2025 CIP projects, and the CIP Fund currently has a negative fund balance of (\$14.1 million) as of September 30, 2025. Staff recommends issuing at least \$20 million in bonds once market conditions improve.

Due to delays in property tax collections, deferred bond issuance, and drawdowns from funds such as the ARPA Fund, the City's cash balance has declined from \$159.3 million in March 2025 to \$125 million in the latest monthly report. This reflects an average monthly shortfall of \$5.7 million, with expenditures outpacing revenues.

In spite of \$19.2 million debt service payments due December 1 and the \$4.8 million pension obligation from reserves, the City can delay issuing new bonds until February or March 2026, provided that second installment property tax bills are sent by year-end. This approach allows the City to potentially benefit from anticipated interest rate cuts.



Memorandum

To: City Manager and CFO/Treasurer

From: Michael Van Dorpe, Senior Financial Analyst
Clayton Black, Deputy Chief Financial Officer

Subject: Net Increase in Staffing since 2020

Date: October 24, 2025

Net Increase in Staffing since 2020

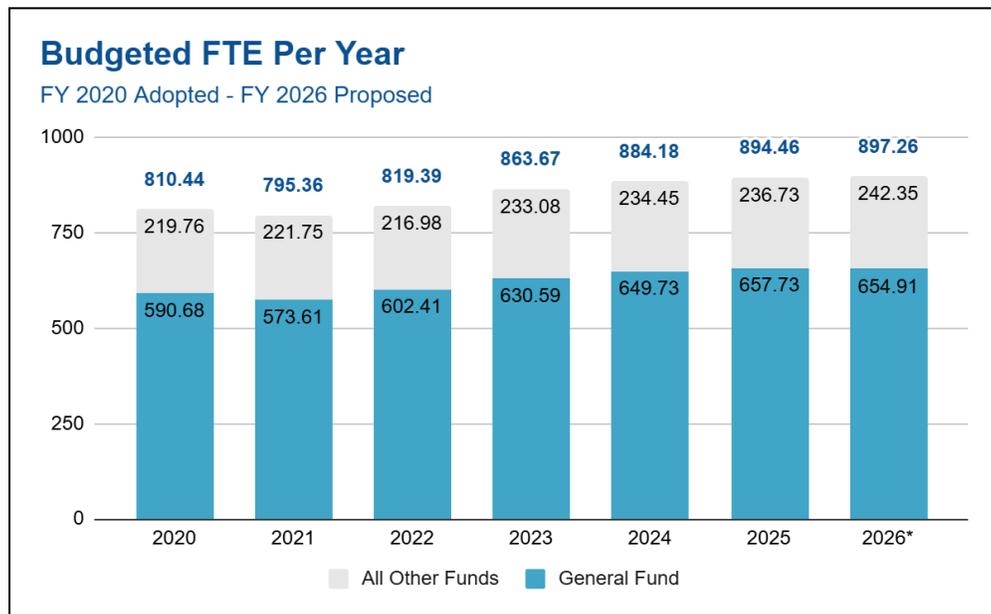
City Council Request:

Number of positions created in the past 5 years and associated salary/benefits.

Staff Response:

Figure 1 shows the trend in Budgeted Full-Time Equivalent (FTE) counts in City of Evanston Budgets from FY 2020 through FY 2026.

Figure 1 - Budgeted FTE per Year



*2026 includes the newly created Parks and Recreation Fund in the General Fund Subtotal

Net Increase in Budgeted FTE

When comparing the FY 2026 Proposed Budget to the FY 2020 Adopted Budget, the City (including the Library) has a net increase of 86.82 FTE.

There are a number of factors (addition and subtraction) that contribute to the overall net increase of 86.62 FTE, such as:

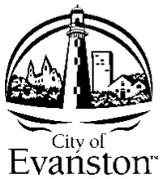
- Creation of programs that required additional staffing at the direction of the City Council
 - i.e., Sustainability Fund, Tree Preservation Ordinance, CARE Team
- Creation of new positions to meet new state and federal mandates
 - i.e. Lead Service Line Replacement
- Creating new positions offset by reductions to other expenses
- Part-time positions converting to Full-time positions
- Full-time positions converting to Part-time positions
- Positions created and eliminated a year or two later
- Positions were eliminated and reinstated a year or two later
- The reduction of 11 budgeted patrol officer positions in FY 2021
- The addition of 8 budgeted firefighter positions in FY 2023

Net Increase in FY 2026 Budgeted Cost

In the FY 2026 Proposed Budget, staff have calculated the net increase in FTE to result in a net increase in costs totaling \$10.14 million: \$5.90 million in the General Fund and \$4.24 million in all other Funds.

There are a few factors impacting the calculated net increase in costs in FY 2026:

- Positions originally added in the General Fund that have since moved to other Funds.
- Pre-existing positions outside of the General Fund that have since moved into the General Fund.
- The reduction of positions in this timeframe (and the corresponding reduction in cost) was mostly within the General Fund.



Memorandum

To: City Manager and CFO/Treasurer
From: Noel Rodriguez, Public Services Bureau Chief
Subject: Tree Preservation Ordinance
Date: October 24, 2025

Tree Preservation Ordinance

City Council Request:

What are the revenues and expenses associated with enforcing the private property tree preservation ordinance?

Staff Response:

All revenues are deposited into a designated account within the General Fund dedicated to supporting the City's urban canopy initiatives. Per City code, "all tree replacement mitigation fees collected by the City will be used to promote the purposes of managing and maintaining a healthy urban tree canopy in the City, including tree planting and health care."

Expenses:

- Tree Preservation Coordinator: Salary and associated overhead
- Planned Expenditures:
 - Annual Spring & Fall Tree Give-Aways for Evanston community members: trees, water bags, mulch, and tree planting brochures.
 - In spring 2025, \$5,928 was spent, and approximately \$3,000 is planned for fall 2025.
 - Tree care support for property owners requiring financial assistance
 - Smart tree inventory updates in 2026 using LiDAR technology. The estimated cost is around \$175,000 for a complete inventory, including an added risk assessment for trees suspected of having conditions of concern, which will be partially funded through this revenue.

Revenues:

Annual revenues are generated from the following three sources. The table on the following pages shows the amount of revenue generated from these sources since the implementation of the ordinance in June 2024.

- Private tree preservation permit fees
- Assessed fines and penalties for code violations related to private trees
- Private tree mitigation fee-in-lieu payments collected through building and construction permits

PRIVATE TREE PRESERVATION REVENUE

Category	Description	2024 Amount Assessed	2025 Amount Assessed (YTD)
Private Tree Preservation Review Fees	Building/Construction Permits	\$8,000.00	\$10,000.00
Private Tree Replacement Mitigation (Fee-in-Lieu)	Building/Construction Permits	\$68,039.25	\$39,503.76
Private Tree Removal Permits & Fines	Non-Construction Related	\$16,320.00	\$18,565.00

**PRIVATE TREE PERMIT ISSUANCE
(Since June 2024)**

PERMIT TYPE	NUMBER REVIEWED	NUMBER APPROVED	% APPROVAL
Building Permit Tree Preservation Reviews	~515	N/A (Tree preservation requirements were provided for each construction project)	N/A
Standalone Tree Removal Permits	454	420	93%

2025 Fee Schedule from the Privately-owned Tree Canopy Policy:

FEES, PENALTIES, AND FINES FOR DAMAGES TO TREES AND OTHER VIOLATIONS

Tree Removal or Preservation Permit Fee	\$80
Branch / tree canopy damage (up to 3" diameter)	\$300
Branch / tree canopy damage (3 - 5" diameter)	\$500
Branch/ tree canopy damage (greater than 5" diameter)	\$800
Trunk damage (up to 10% of circumference)	\$200
Trunk damage (10% to 20% of circumference)	\$400
Trunk damage (greater than 20% circumference)	\$700
Any damage serious enough to result in tree removal	\$1,500
Tree removal without a permit	\$1,500
Activity without a tree preservation permit (when required)	\$500
Root damage (up to 3" diameter)	\$300
Root damage (greater than 3" diameter)	\$600
Failure to put up tree preservation fencing	\$100
Storing equipment or materials on the parkway	\$200
Other damage	\$100 – \$1,500

Monday, November 3 Memos



Memorandum

To: City Manager and CFO/Treasurer
From: Hitesh Desai, CFO
Subject: Sustainability Fund Transfer from General Fund and Sustain Evanston Program
Date: November 3, 2025

Sustainability Fund Transfer from General Fund and Sustain Evanston Program

City Council Request:

Please provide clarification of the transfer between General Fund and Sustainability Fund and an explanation for the reduction to the Sustain Evanston Program.

Staff Response:

The Sustainability Fund receives annual support from the General Fund through two dedicated revenue streams. While these were projected to generate \$300,000 in 2025, only \$200,000 is estimated in 2026:

- **Wheel Tax:** Each Evanston vehicle subject to the Wheel Tax contributes \$5 to the Sustainability Fund. With approximately 28,000 vehicles annually, this consistently generates **\$140,000** in revenue.
- **Infrastructure Maintenance Fee (IMF):** Historically, the Sustainability Fund received all IMF revenue and used it to pay electricity costs for core government facilities. The net difference—typically around \$13,000 per month from 2021 to 2023—was treated as “profit”. In 2025, the City shifted all electricity costs to the General Fund, allowing the full IMF profit to be transferred to the Sustainability Fund. Although the 2025 budget estimated \$160,000 in annual profit, actual savings have averaged only \$5,000 per month due to elevated energy rates. As a result, while the General Fund will still transfer the full \$160,000 in 2025, the FY 2026 budget reduces the IMF profit estimate to **\$60,000**.

As of September 30, 2025, the Sustainability Fund has a fund balance of \$1,145,106. With projected expenses of \$1,501,309 in 2026, this represents 76% of its fund balance. With fund balance policies for other City funds set between 16.6% and 25% of operating expenses, it would be imprudent to increase General Fund transfers or fund sustainability efforts through other funds, given this excess fund balance.

In FY 2026, the full Sustain Evanston Program has been budgeted within the Sustainability Fund. This shift reflects three key considerations:

- **Sizable Fund Balance:** The Sustainability Fund currently maintains a healthy fund balance, allowing it to absorb program costs without immediate reliance on additional subsidies.
- **General Fund Pressures:** Given the structural deficit in the General Fund, reallocating sustainability expenses helps temporarily relieve pressure on core operating services.
- **Improved Tracking:** Consolidating sustainability-related expenditures into a single fund enhances visibility and long-term planning.

The table below shows the budget and actuals for the Sustain Evanston Program since 2023.

	2023		2024		2025		2026
	Budget	Actual	Budget	Actual	Budget	Actual (YTD)	Budget (Proposed)
General Fund	\$250,000	\$209,321	\$250,000	\$308,305	\$250,000	\$193,030	\$0
Sustainability Fund	\$0	\$0	*\$350,000	\$381,959	\$250,000	\$252,252	\$500,000
TOTAL	\$250,000	\$209,321	\$600,000	\$690,264	\$500,000	\$445,282	\$500,000

*Resolution 33-R-24 committed an additional \$100,000 to the program for electric leaf blowers.

Following further consultation with the Environmental Board, there is a desire to allocate \$300,000 for the Sustain Evanston program and reallocate a portion of the funding. The Board has expressed a strategic preference to prioritize recruitment for the Building Electrification Program Coordinator role, recognizing its potential to accelerate implementation of the Healthy Buildings Ordinance and key climate action goals.

The Sustainability Fund does not generate its own revenue, unlike enterprise funds. It relies exclusively on dedicated revenues from the Wheel Tax, IMF grants, and support from other funds. Should it face future fund balance constraints, the City would need to transfer additional funds—either from the General Fund or other sources—to maintain program and service levels.



Memorandum

To: City Manager and CFO/Treasurer
From: Clayton Black, Deputy Chief Financial Officer
Subject: Miscellaneous Inquiries from a Councilmember
Date: November 3, 2025

Miscellaneous Inquiries from a Councilmember

City Council Request:

A Councilmember submitted several questions about the FY 2026 Proposed Budget, which were addressed by several staff across the City. The questions and answers are presented together below.

Staff Response:

Community Development

Question:

I see that we have not collected any revenue for "housing code violation fines" (52555) and only \$3,000 in "public health code violations" (52556). I can see a potential equity issue here, but I have also received a number of complaints about poorly maintained residential and commercial buildings here. What is our policy on enforcement?

Answer:

Some Property Maintenance Code Violation fines were collected in FY 2025; however, they are included in Rental Building Registrations, G/L 100.21.2115.52046, due to limitations of the OrbiPay cashing system. (Rooming House/Shared Housing Licenses are also included in that G/L for the same reason.) Euna, the new cashing system, will separate these revenue sources in 2026. Our goal is to bring properties into compliance, so property owners are often not fined initially and are allowed to correct violations before a reinspection is conducted. If a property isn't brought into compliance, fines are issued. If those are not paid, the case goes to Adjudication, where offenders may be given additional time to comply, and their fines are often waived or reduced.

CMO - Finance

Question:

What is "fire insurance tax"?

Answer:

The \$14,912 recorded in this G/L in 2024 should have been posted in Fire Misc Revenue (100.23.2305.56043) as it is fire alarm permit revenue. The one-pager below details the Foreign Fire Insurance Tax, which is collected by the IML and distributed to Fire Departments and tracked in a separate fund, with expenses recommended by the City's Foreign Fire Insurance Board. <https://firefee.iml.org/file.cfm?key=23485>

Question:

What is "telephone utility tax"?

Answer:

The \$2,485 recorded in this G/L in 2023 was erroneously posted in this account. No other revenue has been recorded here since at least 2013. This is an old account previously used to record telecommunications taxes, which are now recorded in 100.15.1560.51625. These taxes are collected by the State of Illinois at a rate of 6% and remitted to the City of Evanston. \$1,032,275 was received from telecommunications taxes in 2024. Additional information on this tax is available on the State's website at the link below. <https://tax.illinois.gov/research/taxinformation/excise/telecommexcise.html>

Question:

Why did the bag tax miss its estimate? What is enforcement looking like?

Answer:

Bag Taxes finished 2024 at \$222,636.41, which was above the budget amount of \$200,000. The ordinance states that revenue is split, with 60% allocated to the Solid Waste Fund (see pp. 49 and 50 for the amounts distributed to the General Fund and Solid Waste Fund). This was originally budgeted as a transfer from the General Fund to the Solid Waste Fund, but staff have since started reclassing the revenue directly to the Solid Waste Fund in lieu of a transfer. In 2025, the City has a 100% collection rate for all 25 eligible taxpayers through the September collection period.

		2024	
		Budget	Actual
General Fund	100.24.2435.51593	\$200,000	\$89,054
Solid Waste Fund	520.40.4310.51593	\$0	\$133,582
	TOTAL	\$200,000	\$222,636

Question:

Is our "auto rental tax" rate on par with neighboring communities?

Answer:

The 12% tax is standard in Cook County and is distributed as follows: State of IL (5%), Municipality (1%), Metropolitan Pier and Exposition Authority (6%). This rate is set by State statute, collected by the Illinois Department of Revenue, and remitted to communities.

Question:

Page 396. Who is our "City Council Admin"?

Answer:

This was a budgeted position to provide administrative support to City Councilmembers. The City Manager has proposed utilizing existing CMO staff to cover this work, effective January 2026. We have been using Worxbee to provide virtual assistants to support councilmembers, but we will phase out the service by the end of 2025.

CMO - Policy

Question:

What is the "advocacy services" line item for the City Council budget? (100.13.1300.62227)

Answer:

Lobbying services - this account was last used in 2024 with \$50,000 paid to Drexwood. We do not currently have a lobbying firm.

Administrative Services

Question:

Page 116. Document says "There are still fewer commuters and employees parking within the Central Business District." Does this refer to the Central Street area in the 7th ward? Or "Central" Evanston as in the downtown area?

Answer:

This would refer to the Downtown area. Overall, parking operations are stable. This is due to app payments and low pricing; parkers tend to pay for more time than is needed. We also accept major credit cards. Metered parking has seen overall gains of 5% annually, without a rate increase since 2020. This is higher than industry norms.

Question:

Page 116. Document says "The fact that some equipment for heavier duty is not fully developed and tested limits exactly what types of equipment it makes sense to upgrade first." What does this mean?

Answer:

This is in reference to Electric vehicles. Light-duty vehicles are common, reliable, and affordable. However, we can't simply attempt to replace all light-duty vehicles with EV types. Fleet vehicles are rotated to gain a larger return on investment (ROI).

As an example, a Police Interceptor SUV may cost about 45K, and it may be used by EPD for approximately 4-5 years, then it may have high mileage, or be deemed unsafe for their use and

for high-speed operations and emergencies. A 4-year-old retired vehicle will become an inspector's vehicle for another 3-5 years or until it has catastrophic failures.

An electric EV fire truck costs about \$2.4 million, as compared to a diesel model that may be \$900K. Electric sweepers cost about \$700K as compared to \$350K for diesel models, etc. Fleet Services does not support testing the purchases of large-scale fleet equipment that have not been proven to have a good track record in snow and ice regions, along with long-hour charge durations. This is due to our fleet being so large, working in four seasons, and having so many pieces that need replacing on a regular basis. Our plan is to continue rotating in light and medium-duty cars, SUVs, and pickup trucks as vehicles reach the end of their useful life.

Lastly, the City Council has not allocated a fund specifically for purchasing electric vehicles, nor has the existing Vehicle Replacement Fund been increased to support the purchase of EV vehicles. EV vehicles average 25-35% more than hybrid or diesel vehicles.

Parks and Recreation

Question:

Page 178. "The increasing number of youth requesting employment through MSYEP continues to be challenging to manage, given the uncertainties of how many youth will apply for employment." Do we employ everyone who applies for MYSEP?

Answer:

We do not employ all the youth who attend the job fair. For example, in 2025, 1,100 youth attended the job fair. Of that amount, only 307 youth were employed through MSYEP.

Question:

Page 178. "Many programs and services executed by the Department continue to represent the City's values but are not revenue generating. Decreasing or eliminating any of the Department's programs and services could have disastrous effects for the community overall." What programs and services are and are not revenue generating?

Answer:

There are several programs that produce revenue but do not cover expenses. They are as follows:

- Inclusion and Accessibility Programs and Camps, formerly known as Special Recreation, which encompasses all Special Olympics Programs.
- All Department-sponsored Special Events, with the exception of the Zombie Scramble and Flapjacks and Flannel. These special events (29) include the Starlight Concert and Movie Series.
- Fleetwood-Jourdain Theater

Other community good programs and services that do not produce any revenue:

- CARE Team
- Youth Outreach Team
- Mayor's Summer Youth Employment Program (MSYEP)
- My City, Your City, Our City Violence Prevention Program
- Youth Drop-In Services

- Restorative Justice Program (mitigation of complaint tickets issued by Evanston Police Department (EPD) to youth under 18 for expungement of low-level misdemeanors)
- Certificate of Rehabilitation Program - individuals with a conviction history may qualify for this Program, which overcomes statutory barriers to jobs, licenses, and employment
- Conflict Resolution and Family Wraparound Services
- Youth and Family Counseling Referrals from EPD
- Transportation Services for departmental and city-wide events
- City-wide ADA Programs, Services, and Resolution of Grievances involving city non-compliance
- Park Services - responsible for maintaining and cleaning public restrooms and picnic spaces; point of contact for park users and posts reservations and permits.
- Facilitation of all city-side events requiring a Special Event Permit (not Department-led events)

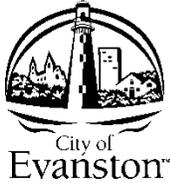
Solid Waste Fund

Question:

"Institute new waste enclosure standards for new developments with the passing of the zoning code." Like standards are contemplated?

Answer:

- Placement of enclosures: creating reliable locations for use and service
- Design of enclosures: making sure they are designed in a manner that they are made of durable materials, as well as promote cleanliness, accessibility, and security
- Service Requirements: noting that if trucks are not able to access the enclosure directly, properties are creating the necessary pathways to allow effective service to be completed by vendors.
- Enclosure Layouts: Making sure that plans note how the inside of the enclosure is laid out in a manner to promote use from tenants and employees, but also ensure service and preserve space for diversionary service offerings (recycling and composting)



Memorandum

To: City Manager and CFO/Treasurer
From: Michael Van Dorpe, Senior Financial Analyst
Subject: Northwestern University Community Benefits Agreement
Date: November 3, 2025

Northwestern University Community Benefits Agreement

CMO Request:

Please provide an overview of the Community Benefits Agreement with Northwestern University.

Staff Response:

In Fall 2023, the Evanston City Council adopted [Resolution 87-R-23](#), agreeing to a Community Benefits Agreement (CBA) with Northwestern University.

The CBA includes direct payments to the City of Evanston in two ways:

- For a period of 15 years commencing in 2024, a \$3 million annual contribution (increase at CPI, max 3%) to the City of Evanston.
 - \$1,500,000 to use at the City's Discretion
 - \$1,000,000 to the Affordable Housing Fund
 - \$500,000 to the Sustainability Fund
- For a period of 15 years commencing in the year Ryan Field is completed (~2026), a minimum of \$2.5 million in guaranteed tax revenue (liquor/amusement) from events at Ryan Field (increase at CPI, max 3%).
 - \$1,500,000 to use at the City's Discretion
 - \$1,000,000 to the Affordable Housing Fund

In addition to the direct contributions to the City of Evanston, the CBA commits Northwestern to investing in the community in other ways. This includes scholarships for Evanston high school students to attend Northwestern, contributions to the revitalization of downtown Evanston, support for workforce development and racial equity programming, donations to local non-profits, and direct contributions to D65 and D202, tied to ticket sales from concerts at Ryan Field.



Memorandum

To: City Manager and CFO/Treasurer
 From: Hitesh Desai, CFO
 Subject: TIF Districts
 Date: November 3, 2025

TIF Districts

City Council Request:

Please provide the following information for each active TIF district:

1. *Current Financial Balances - Total funds available in the TIF district as of the most recent reporting period.*
2. *Expenditures and Commitments - A detailed list of all expenditures from the TIF district over the past four fiscal years, including any outstanding commitments or encumbrances.*
3. *Total Existing Funds - The cumulative amount of funds currently held in each TIF district, accounting for both unspent funds and committed expenditures.*

Staff Response:

The table below shows current cash/fund balances for each of the City's TIFs and the scheduled final year of collections. Annual TIF reports are posted on the City's website at:

<https://www.cityofevanston.org/business/tif-districts>.

TIF District Fund/Cash Balances

TIF	Fund Balance (as of 12/31/24)	Fund Balances (as of 9/30/25)	Cash Balances	Final Collection Year
Howard Ridge	\$1,914,304	\$2,313,667	\$2,298,005	2028
West Evanston	\$2,422,071	\$2,845,624	\$2,860,042	2029
Dempster Dodge	\$981,216	\$1,122,030	\$1,135,498	2036
Chicago-Main	(\$165,101)	(\$486,499)	\$438,769*	2037
Five-Fifths	\$289,778	\$979,090	\$979,092	2045

*The difference between cash and fund balance is due to \$925,269 for the City's share of the Main Street project which was completed in 2024 and pending invoice from IDOT.

The tables below show the total EAV and increment for each TIF District. As it shows, more than \$83 million worth of EAV has been added to the City's TIF Districts since their founding, including \$13M from 2022 to 2023.

TIF District Total EAV and Increment

Year of TIF	TIF	TIF Total Frozen EAV	TIF Total EAV 2021	TIF Total EAV 2022	TIF Total EAV 2023	EAV Change (2023 v/s 2022)	TIF Increment v/s frozen
2004	Howard Ridge	11,416,635	25,031,611	25,742,249	28,028,336	2,286,087	16,611,701
2005	West Evanston	37,477,570	55,123,658	62,243,805	64,994,375	2,750,570	27,516,805
2013	Chicago-Main	11,489,118	24,455,370	25,385,996	26,085,428	699,432	14,596,310
2012	Dempster-Dodge	10,816,879	13,321,070	16,389,318	16,908,404	519,086	6,091,525
2022	Five Fifth	35,823,529	32,829,543	47,465,328	54,233,245	6,767,917	18,409,716
	TOTAL	107,023,731	150,761,252	177,226,696	190,249,788	13,023,092	83,226,057
Year of TIF	TIF	TIF Increment 2020	TIF Increment 2021	TIF Increment 2022	TIF Increment 2023	TIF Increment 2024	Change Increment 2024 v/s 2023
2004	Howard Ridge	1,259,004	1,259,492	1,207,425	1,141,013	1,311,460	170,447
2005	West Evanston	1,826,767	1,774,440	1,560,323	1,970,059	2,088,286	118,227
2013	Chicago-Main	1,187,561	1,207,618	1,174,278	1,186,811	1,167,349	-19,462
2012	Dempster-Dodge	282,948	282,950	221,320	442,730	488,906	46,176
2022	Five Fifth	0	0	0	924,940	1,420,595	495,655
	TOTAL	4,556,280	4,524,500	4,163,346	5,665,553	6,476,596	811,043

The summaries below list committed and encumbered funds and show four years of actual expenses since 2021.

Howard Ridge - \$2,313,667 Fund Balance (as of 9/30/2025)

- At the end of 2025, the City will owe \$3,764,814 in principal and interest on GO Bonds that are outstanding in the TIF.
- Significant commitments include Howard Street sidewalks (\$245,237).
- Planned capital projects include Callan Plaza (\$200,000), Bridge Lighting CTA (\$500,000), and various economic development initiatives (Evanston Thrives, gateway signage, business district maintenance) (\$300,000).

Howard Ridge-TIF Fund #330 - Expenditures FY 2021 to FY 2025

Account Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
CONSULTING SERVICES	\$5,719	\$22,913	\$89,129	\$21,431	\$50,000
ADVERTISING	-	-	\$1,008	-	-
BLDG MAINTENANCE SERVICES	-	-	\$1,993	-	-
REAL ESTATE TAX PAYMENTS TO COUNTY	-	-	-	-	\$10,000
DEVELOPER FEES	\$391,989	\$391,989	\$783,978	-	\$50,000
OTHER PROGRAM COSTS	\$18,200	\$22,082	\$122,867	\$75,886	\$350,000
CREDIT CARD FEES	\$8	\$14	\$13	-	-
REVENUE SHARING AGREEMENTS	\$303,278	\$219,558	\$131,650	-	-
ELECTRICITY	-	\$82	\$432	\$269	\$500
NATURAL GAS	\$862	\$1,950	\$2,197	\$2,189	\$3,000
PROPERTY ACQUISITIONS	-	-	\$10,000	\$922,026	-
OTHER IMPROVEMENTS	-	\$832,859	\$14,695	\$16,348	\$50,000
TRANSFER TO GENERAL FUND	\$75,000	\$75,000	\$75,000	\$75,000	\$56,800
TRANSFERS TO DEBT SERVICE FUND	\$143,112	\$323,113	\$320,916	\$288,516	\$287,113
Howard Ridge TIF Total Expenses:	\$938,167	\$1,889,560	\$1,553,879	\$1,401,664	\$857,413

West Evanston - \$2,845,624 Fund Balance (as of 9/30/2025)

- Significant commitments include Water Main (\$747,944), the Mason Park/Davis Street Extension (\$212,291), and the payment to the HODC project at Church and Darrow (\$1,000,000).
- Planned projects include Church Street Water Main (\$1,000,000), potential property acquisition/assembly (\$1,000,000), and Mason Park/Davis Street extension in 2027.

West Evanston TIF Fund #335 - Expenditures FY 2021 to FY 2025

Account Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
REDEVELOPMENT CONSULTING SERVICES	-	-	-	\$4,000	-
CONSULTING SERVICES	\$68,065	\$48,642	\$83,386	\$20,820	\$100,000
ADVERTISING	\$89	-	-	\$19	-
REAL ESTATE TAX PAYMENTS TO COUNTY	-	-	-	\$83,150	-
OTHER PROGRAM COSTS	\$18,000	\$19,613	\$564,950	\$103,209	\$52,000
OTHER CHARGES	-	-	-	\$3,625	-
BANK FEES	-	-	-	\$24	-
CREDIT CARD FEES	\$30	\$28	\$18	-	-
PROPERTY ACQUISITIONS	-	\$1,666,975	\$198,327	-	-
OTHER IMPROVEMENTS	-	\$568,263	\$1,361,019	\$1,761,557	\$1,560,790
DEVELOPMENT GRANTS/FORGIVABLE LOANS	-	-	-	-	\$1,000,000
TRANSFERS TO OTHER FUNDS	\$332,637	-	-	-	-
TRANSFER TO GENERAL FUND	\$75,000	\$75,000	\$75,000	\$75,000	\$110,550
West Evanston TIF Total Expenses:	\$493,821	\$2,378,521	\$2,282,700	\$2,051,405	\$2,823,340

Dempster Dodge - \$1,122,030 Fund Balance (as of 9/30/2025)

- At the end of 2025, the City will owe \$1,716,295 in principal and interest on GO Bonds that are outstanding in the TIF.
- No major significant commitments in the TIF beyond debt service obligations.
- Planned capital projects include a camera/electrical project budgeted in 2026 (\$100,000).

Dempster-Dodge TIF Fund #340 - Expenditures FY 2021 to FY 2025

Account Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
CONSULTING SERVICES	\$1,819	\$9,956	\$10,943	\$617	\$2,000
OTHER PROGRAM COSTS	-	-	-	\$27,175	\$10,000
CREDIT CARD FEES	\$3	\$2	\$2	-	-
TRANSFER TO GENERAL FUND	\$9,996	\$10,000	\$9,996	\$9,996	\$24,400
TRANSFERS TO DEBT SERVICE FUND	\$158,928	\$161,833	\$164,484	\$166,860	\$168,943
Dempster-Dodge TIF Total Expenses:	\$170,746	\$181,791	\$185,426	\$204,648	\$205,343

Chicago Main - (\$486,499) Fund Balance (as of 9/30/2025)

- At the end of 2025, the City will owe \$2,490,071 in principal and interest on GO Bonds that are outstanding in the TIF.
- The City purchased the 801 Main Street building for \$690,364 in 2025.
- Significant commitments include the city's share of the Main Street project payable to IDOT, which has not yet been invoiced (\$925,269).
- Planned projects include various economic development initiatives (facade improvement program, business district maintenance) (\$120,000), Custer Ave improvements (\$770,000), Bridge Lighting (\$175,000), Custer Ave Oasis Project (\$1,000,000).

Chicago-Main TIF Fund #345 - Expenditures FY 2021 to FY2025

Account Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
CONSULTING SERVICES	\$1,819	\$17,913	\$18,299	\$2,023	\$50,000
OTHER PROGRAM COSTS	\$9,950	\$8,000	\$47,820	\$51,823	\$540,000
BANK FEES	-	-	-	\$14	-
CREDIT CARD FEES	\$16	\$9	\$13	-	\$10
OTHER IMPROVEMENTS	\$243,762	\$127,843	\$2,384,540	\$1,365,805	\$260,000
TRANSFER TO GENERAL FUND	\$30,000	\$30,000	\$30,000	\$30,000	\$64,750
CONTRIBUTIONS TO OTHER FUNDS	\$1,065,128	-	-	-	-
TRANSFERS TO DEBT SERVICE FUND	\$232,848	\$234,763	\$241,356	\$242,484	\$243,240
Chicago-Main TIF Total Expenses:	\$1,583,524	\$418,529	\$2,722,028	\$1,692,149	\$1,158,000

Five Fifths TIF - \$979,090 Fund Balance (as of 9/30/2025)

- Significant commitments include annual payments to the school districts from the Trulee development (~\$600,000 per year), D65 track and lighting improvements (\$207,361), and consulting services for the Foster School / Community Center (\$74,010)
- Planned projects include various economic development initiatives (affordable housing, small business, business district maintenance) (\$300,000) and various alley projects in 2027 (\$300,000)

Five-Fifths TIF Fund #365 - Expenditures FY 2021 to FY 2025

Account Description	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget
CONSULTING SERVICES	-	\$130,715	\$35,643	\$2,617	\$250,000
OTHER PROGRAM COSTS	-	\$5,186	\$235,327	\$21,598	\$60,000
REVENUE SHARING AGREEMENTS	-	-	-	\$906,397	\$700,000
BUILDING IMPROVEMENTS	-	-	\$650,000	\$84,923	\$100,000
OTHER IMPROVEMENTS	-	-	-	-	\$40,520
TRANSFER TO GENERAL FUND	-	-	-	-	\$73,850
Five-Fifths TIF Total Expenses:	-	\$135,901	\$920,970	\$1,015,535	\$1,224,370

Monday, November 10 Memos



Memorandum

To: City Manager and CFO/Treasurer
From: Michael Van Dorpe, Senior Financial Analyst
Subject: Federal Revenues
Date: November 10, 2025

Federal Revenues

City Council Request:

Do we have any budget items that are funded anticipating federal grants that have not been received yet?

CMO Request:

Please provide an update on federal revenues that the City receives that may be in jeopardy under the federal administration or as a result of the federal government shutdown.

Staff Response:

Staff began assessing risks to federal-based revenues shortly after the November 2024 national elections. A presentation was given on this topic at the March 10, 2025, and May 27, 2025, City Council meetings, sharing what risks and complications were known at that time.

Staff have continued to monitor the status of these federal revenues throughout 2025. This has included regular communication with state and federal agencies that administer these revenues, connecting with other agencies receiving similar funding, tracking legislative and executive updates and the state and federal levels.

There have been several challenges in assessing the risks of these federal funds, including executive orders being issued and rescinded, legal challenges to executive orders, mass layoffs of federal employees, and, most recently, the federal government shutdown. These challenges continue to be very fluid, with the potential to change day-to-day.

Here are examples of federal revenues that staff have identified as low risk as of November 7, 2025:

Revenue	FY 2026 Budgeted Amount
IEPA State Revolving Fund (SRF) Loans	\$25,000,000
Remaining ARPA Fund Balance	\$11,500,000
Ground Emergency Medical Transportation (GEMT) Program	\$2,500,000
Cook County CDBG-CV DCEO Grant	\$1,800,000
Several Public Health Grants	\$520,000
Department of Energy (DOE) Earmark	\$500,000
CDBG Loan Fund	\$300,000

Here are examples of federal revenues that staff have identified as medium or high risk as of November 7, 2025:

Revenue	FY 2026 Budgeted Amount
CDBG/HOME Fund*	\$3,800,000
PRO Housing Grant	\$1,000,000
Putting Assets to Work (PAW) Innovation Grant*	\$300,000
Department of Energy (DOE) Inflation Reduction Act	\$0
Respiratory Outbreak Grant*	\$125,000
Urban & Community Forestry Grant*	\$235,000

*Categorized as Medium or High Risk due to the federal government shutdown

The Congressional House and Senate budgets have included full funding for entitlement programs such as the CDBG and HOME programs. However, the ongoing federal government shutdown introduces uncertainty that could affect the timing and administration of these funds.

Fortunately, the City has rollover funding from prior years for both CDBG and HOME, allowing continued spending on committed projects. Nonetheless, even if funding remains authorized, the shutdown has raised concerns about federal staffing levels and the responsiveness of agencies to City requests, which may delay approvals, reimbursements, or technical assistance.

In addition to entitlement programs, the City is managing several one-time, project-specific federal grants. While these funds are technically secured through an established agreement with the federal government, the City will proceed cautiously with projects that have not yet launched—such as the Pro Housing Grant and the Department of Energy’s Inflation Reduction Act grant—until there is greater clarity on federal operations and funding.



Memorandum

To: City Manager and CFO/Treasurer
From: Noel Rodriguez, Public Services Bureau Chief
Subject: Sidewalk Repair/Replacement Crew
Date: November 10, 2025

Sidewalk Repair/Replacement Crew

City Council Request:

What is the cost of an additional crew in public works to repair/replace sidewalks?

Staff Response:

The City has approximately 280 miles of concrete sidewalks throughout the city. This plan outlines the staffing, equipment, and material needs for the Streets Division to complete about 9.4 miles (49,632 linear feet) of standard sidewalk replacement each year. Concrete sidewalks have an average useful life of approximately 30 years, and this replacement cycle would enable the City to maintain a regular renewal schedule. A 30-year cycle provides a balanced and sustainable approach. It aligns with the typical lifespan of concrete, supports predictable budgeting, and helps maintain consistent service levels across all neighborhoods.

The program would be staffed by a 12-person crew operating from March through November, covering roughly nine months of construction activity. During the winter months, from December through February, staff would transition to support snow and ice operations.

Program Scope and Output

Based on an estimated 280 miles of sidewalk citywide, maintaining a 30-year replacement cycle would require the Streets Division to replace approximately 9.4 miles of sidewalk each year. With a standard sidewalk width of five feet, this translates to roughly 248,000 square feet of concrete, or approximately 9,930 standard 5'x5' panels annually.

The construction season would run from March through November, providing about 36 weeks of field work. To stay on pace with the 30-year cycle, crews would need to complete an average of 276 panels per week. This production target is achievable with a 12-person crew supported by appropriate equipment for removals, forming, pouring, and site restoration.

This approach ensures a consistent and manageable workload while maintaining safe and accessible sidewalks throughout the city. It supports predictable budgeting, equitable service delivery, and the proactive renewal of critical pedestrian infrastructure, while also allowing flexibility for weather delays, parkway restoration, and coordination with other construction or utility work across all wards.

- Annual Target: 9.4 miles of sidewalk (49,632 linear feet)
- Average Panel Size: 5 ft × 5 ft (25 sq ft)
- Total Panels: ~9,930 panels per year
- Working Season: 36 weeks (March-November)
- Weekly Production Goal: ~276 panels per week

Staffing Requirements

Role	Quantity	Function / Notes
Crew Leader	2	Oversees field operations, layout, quality, and safety
Cement Finishers	3	Form setting, pouring, and finishing of concrete
Laborers	3	Demolition, subgrade prep, compaction, and restoration
Truck Driver / Operator	2	Hauls debris, aggregates, and assists with saw cutting
Equipment Operator	2	Operates skid steer, excavator, and compactor
Estimated Staff Cost		\$1,440,000.00

Two sidewalk crews, comprised of a total of 12 employees, would be sufficient to achieve the annual target of 9.4 miles with steady weekly production averaging 276 panels. The crews would operate in a coordinated rotation, alternating responsibilities throughout each week to maintain continuous progress and efficiency.

While one crew focuses on removals and site preparation, the second crew would perform framing, pouring, and restoration on previously prepared sites. As work advances, the crews would switch functions to balance workload, prevent downtime, and provide a consistent flow of operations from demolition to finished surface.

Equipment Requirements

Equipment	Quantity	Notes	Estimated Cost
Skid Steer w/ attachments and trailers	1	Excavation, hauling, grading, and cleanup	\$100,000.00
Grade-All	1	Sidewalk square removals	\$545,000.00

Concrete Buggy	2	Transfer concrete to hard-to-reach areas	\$36,000.00
Dump Trucks (10-yard)	2	Debris and aggregate hauling	\$651,680.00
Power Screed / Finishing Tools/ Plate Compactors/Concrete Saws	2 sets	Includes floats, trowels, edgers, and jointers, vibrating compactor	\$50,000.00
Utility Truck / Crew Cab Pickup	3	Crew transport and light tool storage	\$288,728.00
20', 14,000lb tandem axle trailer	2	Transport of concrete forms and skid steer	\$20,000.00
Traffic Control Devices	1 set per crew	Cones, barricades, and signage	\$20,000.00
Concrete Forms/ will need some replacements each season, due to breakage	1,200 feet worth of material	Metal and/or Wood forms and stakes	\$10,000.00
Total			\$1,721,408.00

Material Requirements (Annual)

Material	Estimated Quantity	Notes	Estimated Cost
Contractual Services			
Portland Cement Concrete (4,000 psi)	117 cubic yards per week, 4,210 per season	5" thick × 248,000 sq ft. Includes 10% waste	\$820,990.00
Additives	3,312 of retarder, 828 of accelerator	Retarder @ \$4.25 per yard Accelerator @ \$9.50 per yard	\$21,942.00
Concrete Disposal	500lbs per panel, 138,000lbs per week, 4,965,000lbs per season	1 truck load of 22,000lbs @ \$55.00 per truck	\$12,413.00
Total			\$855,345

Material	Estimated Quantity	Notes	Estimated Cost
Materials			
CA-6 Aggregate (Base Material)	5 yards per week, 180 per season	4" average base depth	\$5,000.00
Topsoil and Sod / Seed Mix	10 yards per week, 360 per season	Parkway restoration (~10% of area)	\$11,520.00
Expansion Material	20 pieces per week, 1800 pieces per season	Every 50' of continuous sidewalk	\$5,850.00
Total			\$22,370.00

Summarizing all of the costs in the above tables, staff would expect the full program to break down as follows.

Cost Estimate Summary (Approximate Annual)

Category	Estimated Cost
Labor (12 - FTEs, including benefits)	\$1,440,000.00
Initial Equipment Purchases	\$1,721,408.00
Materials (aggregate, expansion & restoration)	\$22,370.00
Contractual Services (disposal, ready-mix & Additives)	\$855,345.00
Total Start-up Cost for First Season	\$4,039,123.00



Memorandum

To: City Manager and CFO/Treasurer
From: Clayton Black, Deputy Chief Financial Officer
Subject: Bag Tax Revenue
Date: November 10, 2025

Bag Tax Revenue

City Council Request:

How much revenue is generated through the bag tax? Is this still a 50/50 share with the retailer?

Staff Response:

Below are the amounts the City has collected by year:

- 2023 (4 mo. of collection)- \$78,617 (~\$19,654/mo)
- 2024 (12 mo. of collection) - \$222,636 (~\$18,553/mo)
- 2025 (10 mo. of collection) - \$202,560 (~\$20,256/mo)

The City's Ordinance requires retail stores (excluding restaurants) exceeding 10,000 square feet to charge their customers 10 cents for each single-use, point-of-sale bag provided. Half of the fee (5 cents per bag) is retained by retailers. The other half of the fee (5 cents) is remitted to the City's Solid Waste Fund for education (60%) and for enforcement by the Health and Human Services Department (40%).

We have approximately 25 taxpayers, which range from large grocery stores (2 Jewel, 1 Target, 2 Whole Foods, 1 Trader Joe's, 1 Valli) to smaller retail spaces (PetSmart, CVS, Blick Art Materials). In 2025, we have a 100% collection rate for all 25 businesses.



Memorandum

To: City Manager and CFO/Treasurer
 From: Clayton Black, Deputy Chief Financial Officer
 Subject: FY 2025 General Fund Projections
 Date: November 10, 2025

FY 2025 General Fund Projections

City Council Request:

We've cut our budget by 2% off the FY 2025 adopted budget. Where do we stand versus the FY 2025 budget as best as we can tell, knowing that we still have two months to go?

Staff Response:

This year, staff prioritized maintaining operating costs at existing levels. Finance worked closely with departments on a series of net-neutral and modest reduction exercises to minimize growth in operating expenses. As a result, total General Fund operating costs—excluding new rent obligations and the tri-annual tree inoculation—are budgeted to decrease by approximately 2%, or \$400,000.

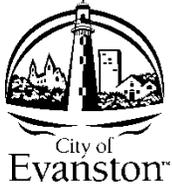
Mid-year projections shared with the City Council indicated that General Fund expenses would finish within 1% of the adopted budget of \$151,278,402. As shown in the table below, the latest projections continue to support this outlook.

Expenses	FY 2025 Budget	FY 2025 YTD (9/30/25)	FY 2025 Projection	Difference
Salary and Benefits	\$91,592,836	\$68,770,059	\$91,893,412	\$300,576
Insurance and Other Chargebacks	\$33,489,844	\$18,435,171	\$33,489,844	\$0
Services and Supplies	\$20,064,846	\$16,330,096	\$21,323,461	\$1,258,615
Interfund Transfers	\$4,457,100	\$3,242,819	\$4,257,100	-\$200,000
Miscellaneous	\$1,029,798	\$908,138	\$1,210,851	\$181,053
Contingencies	\$125,000	\$322,824	\$430,432	\$305,432
Community Sponsored Organizations	\$120,000	\$100,377	\$133,836	\$13,836
Capital Outlay	\$398,978	\$53,565	\$71,420	-\$327,558
TOTAL	\$151,278,402	\$108,163,049	\$152,810,356	\$1,531,954

Several areas warrant close monitoring as the end of 2025 approaches:

- Insurances and Other Chargebacks: This category is currently lagging year-to-date. The City is awaiting the second installment of property tax proceeds to fully recognize the \$29.6 million in public safety pension contributions for FY 2025.
- Personnel Expenses: The budget assumed a 6% vacancy rate, but actual vacancies are trending closer to 4%. As a result, the City may not realize the full \$5.3 million in budgeted vacancy savings.
- Services and Supplies: This category is on pace to exceed the budget by approximately \$1.3 million, primarily driven by costs associated with Seasonal Employees, External Services, IT Software, and Towing and Booting Contracts.

Tuesday, November 18 Memos



Memorandum

To: City Manager and CFO/Treasurer

From: Brandon Kowalke, Financial Analyst
Clayton Black, Deputy Chief Financial Officer

Subject: New and Frozen Positions

Date: November 18, 2025

New and Frozen Positions

City Council Request:

Can you provide a list of all new and frozen positions currently in the FY 2026 budget?

Staff Response:

New Positions (+2.8 FTE Budgeted)

Below is a list of all new positions currently in the FY 2026 Budget, totaling 3.5 full-time equivalent (FTE) employees. The FY 2026 budget also consolidated several positions, resulting in a net of -0.7 FTE. The result is a net increase of **2.8 FTE** in the City's 2026 Budget.

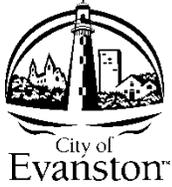
Department / Division	Fund	Position	FTE
City Manager's Office - Communications	General	Graphic Design and Video Specialist	0.5
Public Works - Greenways	General	Public Works Maintenance Worker II	1.0
Parks and Recreation - CARE Team	Human Services	Crisis Alternative Responder	2.0

Frozen Positions (-5.0 FTE Budgeted)

Below is a list of positions currently frozen in the FY 2026 Budget, totaling **5.0 FTE**. "Frozen" means these positions will be held vacant in 2026 and reconsidered in Fall 2026 for FY2027.

Department / Division	Fund	Position	FTE
City Council (City Manager's Office)	General	City Council Admin	1.0
City Manager's Office - Performance & Equity	General	Manager of Organizational Performance and Equity	1.0
City Manager's Office - Performance & Equity	General	Equity Learning Professional Learning Specialist	1.0
City Manager's Office - Payroll	General	Payroll Administrator	1.0
Community Development	General	Planning and Policy Supervisor	1.0

With the addition of **2.8** Budgeted FTEs and the freezing of **5.0** Budgeted FTEs, the overall net change for FY2026 Budgeted positions is **-2.2** FTEs.



Memorandum

To: City Manager and CFO/Treasurer
From: Clayton Black, Deputy Chief Financial Officer
Subject: Solid Waste Fund Questions
Date: November 18, 2025

Solid Waste Fund Questions

City Council Request:

Please confirm: is \$877,420 the projected 2026 Solid Waste Fund deficit?

Just for clarification, when did Council vote to allocate \$731,000 of unrestricted excess reserves for two trucks expected by year-end and \$335,000 for one truck arriving in 2026?

If these allocations were approved, these amounts would be more appropriately and clearly listed under the category of "Assigned" funds as dedicated and intended to use for a specific purpose, earmarked (rather than under unrestricted excess reserves).

Staff Response:

The budgeted deficit in the Solid Waste Fund is \$877,420. The fund is using excess reserves to cover this budgeted deficit in 2026.

Recycling trucks were ordered from R.N.O.W., Inc., with City Council approval on the following dates. The purchases were budgeted in the year they were made and have been re-budgeted as staff receive updates on delivery.

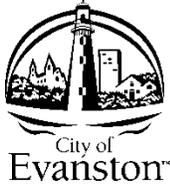
- April 10, 2023 (\$334,649): New Vehicle #711
- November 27, 2023 (\$361,734): New Vehicle #721
- July 22, 2024 (\$369,655): New Vehicle #710

[GASB 54](#) (p. 48-49) states: "In developing the Exposure Draft, the Board discussed the question of whether encumbrances meet the criteria to be included in the restricted, committed, or assigned fund balance classifications. ...the Board concluded that an encumbrance does not represent any further constraint on the use of amounts than is already communicated by

classification as restricted, committed, or assigned...Based on those considerations, the Board determined that reporting encumbrances as a separate classification is incompatible with the focus on purpose limitations established in the restricted/committed/assigned fund balance hierarchy.”

Following this guidance from GASB 54, encumbrances are not considered assigned and appear in the unrestricted (enterprise funds) and unassigned (governmental funds) totals in financial statements. Staff can continue to provide clarification on outstanding encumbrances on a fund-by-fund basis.

Monday, November 24 Memos



Memorandum

To: City Manager and CFO/Treasurer
From: Lara Biggs, City Engineer
Subject: 50/50 Sidewalk Program
Date: November 21, 2025

50/50 Sidewalk Program

City Council Request:

Can you discuss the feasibility and funding source if the City were to reinstate the 50/50 Sidewalk Repair Program? The return of this program would allow property owners to get assistance in repairing those sections of sidewalk which are typically thrust up by parkway tree roots. I believe the last year the program was in place, it was \$250,000 from the City matched by the same amount contributed by residents. As Evanston encourages other modes of transportation and walking, having safe sidewalks is important. If we do not have bandwidth internally to reinstate this program, we could look at one or two preferred contractors who could do the work at an agreed-upon cost.

Staff Response:

Per City Code Section 7-3-9, it is the responsibility of the adjacent property owner to maintain the sidewalks in a condition directed by the Director of Public Works. However, historically the City has operated a 50/50 sidewalk program in which the cost is shared equally between the City and the property owner, and participation was voluntary (note that in the case that the sidewalk damage was caused by parkway trees, the City would pay the entire cost of sidewalk repair). Until 2021, the voluntary 50/50 program had been in place for more than 40 years with substantially no changes. This program had significant challenges, both from equity and efficiency perspectives:

- Theoretically, deteriorated sidewalk could linger for decades without repair, depending on the decision of the adjacent property owner to participate in the program. This was not equitable to those who were mobility-limited and dependent on sidewalk to be in good repair.
- Not everyone could afford the cost of participation, which created a different type of inequity. Although in some instances, CDBG funds could be used to pay the owner's share, many did not know that was an option and some who might be income-challenged did not qualify for the financial assistance.

- It was chronically underfunded - The City typically budgeted \$100,000 - \$150,000 annually for the City's share, which was usually not adequate to meet the demand.
- Sidewalk gaps, where no sidewalk existed, were not addressed.
- It was highly labor-intensive for staff to manage. Because of the number and type of communications with the property owners who had deteriorated sidewalk, it took 0.5 FTEs to manage the contract (typically engineering staff working on design and construction oversight of transportation and utility contracts manage \$3,000,000 - \$9,000,000 in construction value per FTE, compared to 0.5 FTEs for a \$250,000 contract). Property owners were contacted at least four times prior to the actual sidewalk contract, and property owners often dropped out during the process.

On October 10, 2022, the City Council approved a new Sidewalk Improvement Program (information about the program can be found [here](#)). The funding was increased substantially, and alternate forms of funding (such as Tax Increment Financing and CDBG) were applied where applicable. Locations were prioritized based on adjacency to critical facilities. Unfortunately, this program has also faced challenges, mostly that the amount of sidewalk needing repair was initially higher than anticipated, and the federal adoption of new ADA standards (referred to as PROWAG) dramatically increased the amount of sidewalk that did not comply with required standards. Property owners are still able to participate voluntarily by paying 100% of the cost, if they wish their sidewalk repair constructed in the next construction season rather than waiting until it is scheduled by priority.

Reinstatement of 50/50 Program

The prior 50/50 program could be reinstated in two ways:

1. Eliminate the current sidewalk improvement program and use some or all of the funding to fund a replacement 50/50 program. In 2021, the last year of the 50/50 program, the City budgeted \$150,000, although there were additional other funds as well as the property owner contributions. A comparison of this funding to the proposed 2026 budget is shown in the table below:

Funding	2021 50/50 Sidewalk Program	Proposed 2026 Sidewalk Improvement Program
2021 General Obligation (GO) Bonds - 50/50 Sidewalk Program	\$150,000	
2020 GO Bonds rolled over from prior year due to pandemic delays	\$ 86,000	
Private property owner contribution (Note 3)	\$ 73,860	
2026 GO Bonds - Downtown Sidewalks		\$1,000,000
Contribution from Planned Unit Development (Note 1)		\$ 100,000
2026 GO Bonds - Sidewalk Improvement Program		\$ 450,000
CDBG Funds - Sidewalk Improvement Program (Note 2)		\$ 300,000
2026 GO Bonds - Sidewalk Gap Infill		\$ 350,000
CDBG Funds - Sidewalk Gap Infill (Note 2)		\$ 300,000
TOTAL	\$309,860	\$2,500,000

Note 1 - This funding could not be reallocated to the neighborhood 50/50 sidewalk program as it has been designated for mass transit improvements.

Note 2 - These funds would not be easily allocated to a 50/50 program because they are subject to geographic limits.

Note 3 - In the previous 50/50 program, property owners were not required to contribute to the cost of repair related to damage by parkway trees, so the property owner percentage of the contract was never 50%.

Option 1 is not recommended by staff, primarily for the challenges noted above with the previous 50/50 sidewalk program.

2. Modify the current sidewalk improvement program to change the 100% voluntary contribution by the property owner back to 50%. In this case, staff recommends adding additional funding and capping the amount of funding spent on the 50/50 portion of the program to that amount. Staff recommends funding the 50/50 program at \$100,000 as a trial. If additional funding is not added, then it will slow down addressing the backlog of deteriorated sidewalks adjacent to critical facilities such as schools, senior facilities, medical facilities and grocery stores.

Staff also recommends simplifying the process by setting a price per sidewalk square annually (based on prior year participation plus modest escalation), and notifying the property owners of the price for participation. Property owners would agree to pay that price and commit to participation prior to the contract being advertised for bid. The price to the owner would not be modified based on the bid price. This would assist in managing the staffing associated with the program.

Option 2 is preferred by staff. In either option, staff would not recommend utilizing a consultant to do the 50/50 because of the cost associated with outside consulting services for a relatively small, but labor-intensive, contract. Staff recommend that this additional \$100,000 expense be absorbed within the existing CIP. Should a budget amendment be required later in the year to ensure full coverage within the CIP, staff will present one for Council consideration at that time.