AGENDA
REGULAR MEETING OF THE BOARD OF TRUSTEES
PARK FOREST, IL

Village Hall 7:00 p.m. September 10, 2012

Roll Call

Pledge of Allegiance

Reports of Village Officers

Mayor
Village Attorney
Village Manager
Village Clerk

Reports of Commission Liaisons and Committee Chairpersons

Citizens Comments, Observations, Petitions

Motion: Approval of Consent

CONSENT:

1. Resolution: A Resolution Thanking Paul Hodges for His Years of Service to the Village

2. Resolution: A Resolution Authorizing the Sale by Public Auction of Personal Property Owned by the Village of Park Forest

3. Resolution: A Resolution Amending R-06-35 Amending the Village's Development Incentive Policy

4. Motion: A Motion Authorizing the Manager to Contract for Well Maintenance

5. Motion: A Motion to Approve a Tenant Allowance for Sapphire Room LLC at 300 Victory Drive and 331 Founders Way

6. Motion: A Motion to Approve an Engagement letter for Bond Underwriter Robert W. Baird & Co. (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012B for $2,635,000 refunding Series 2001)

7. Motion: A Motion to Approve an Engagement letter for Chapman and Cutler LLP Bond Council (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012B for $2,635,000 refunding Series 2001)

8. Motion: A Motion to Authorize the Manager to Contract for Three Parking Fare Terminals at Parking Lot #2

9. Motion: A Motion to Authorize the Approval of a Local Agency Agreement for Federal Participation for the Improvements to Blackhawk Drive

DEBATABLE:

10. Ordinance: An Ordinance providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012 B for $2,635,000 refunding Series 2001) (Final Reading)

11. Ordinance: An Ordinance revising Chapter 118 (Zoning), Section 118-153 and 118-154, pertaining to Principal Uses permitted in the C-1 and C-2, Commercial Zoning Districts (Final Reading)

12. Ordinance: An Ordinance Authorizing the Acquisition of a Property at 219 Arrowhead Street (First Reading)

13. Ordinance: An Ordinance Amending Chapter 66 (“Offenses and Miscellaneous Provisions”), Article V (“Minors”) of the Code of Ordinances, Village of Park Forest, Cook and Will Counties by Adding New Sections 66-158 (“Improper Supervision of a Minor”) Through Section 66-160 (“Contributing to the Criminal Delinquency of a Minor”) (First Reading)

Adjournment

Executive Session

NOTE: Copies of all agenda items are available in the Manager’s Office

MOTIONS

MOVED that the Consent Agenda and each item contained therein be hereby approved:

1. MOVED, that the Mayor and Board of Trustees adopt a resolution Thanking Paul Hodges for His Years of Service to the Village

2. MOVED, that the Mayor and Board of Trustees adopt a resolution authorizing the Sale by Public Auction of Personal Property Owned by the Village of Park Forest

3. MOVED, that the Mayor and Board of Trustees adopt a resolution amending Resolution R-06-35 amending the Village of Park Forest's Development Incentive Policy

4. MOVED, that the Manager is authorized to award the additional revised amount of the maintenance Contract for Well #1, in the amount of $28,835.75, for a total project cost of $58,453.75 to Midwest Well Services, dba Municipal Well & Pump, 1212 Storbeck Drive, Waupun, Wisconsin, 53963.

5. MOVED, that the Mayor and Board of Trustees authorize a Tenant Allowance for Sapphire Room LLC at 300 Victory Drive and 331 Founders Way in the amount of $85,000.

6. MOVED, that the Mayor and Board of Trustees authorize the Deputy Manager to Execute an Engagement letter for Bond Underwriter Robert W. Baird & Co. (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012B for $2,635,000 refunding Series 2001) at a cost of $33,760; said expenditure to be included in bond refinancing.

7. MOVED, that the Mayor and Board of Trustees accept an Engagement letter for Chapman and Cutler LLP Bond Council (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012B for $2,635,000 refunding Series 2001) at a cost of $20,000; said expenditure to be included in bond refinancing.

8. MOVED, that the Manager be authorized to Contract with Cale Parking Fare for three parking terminals at Parking Lot #2 at a cost of $40,545, plus $65 per terminal for WebOffice, and $3,780 per year for service and maintenance; said expenditure of approximately $45,000 will be from the Municipal Parking fund.

9. MOVED, that the Mayor and Board of Trustees Approve the Local Agency Agreement for Federal Participation for the Improvements to Blackhawk Drive

VILLAGE OF PARK FOREST

MEMORANDUM

TO: John A. Ostenburg, Mayor
Village Board of Trustees

FROM: Thomas K. Mick,
Village Manager

DATE: September 5, 2012

RE: **A RESOLUTION THANKING PAUL HODGES FOR HIS DEDICATED SERVICE TO THE VILLAGE OF PARK FOREST**

BACKGROUND/DISCUSSION:
After a long career of dedicated service to the Village of Park Forest, Lieutenant Paul Hodges will be retiring effective September 1. Attached is a Resolution honoring Paul's tenure with the Village and highlighting his accomplishments. The Resolution was drafted, in part, with the assistance of the staff of the Fire Department.

SCHEDULE FOR CONSIDERATION:
This item will be on the September 10 Regular Board Meeting for Board approval.

RESOLUTION No. ______

A RESOLUTION THANKING PAUL HODGES FOR HIS DEDICATED SERVICE TO THE VILLAGE OF PARK FOREST

WHEREAS, Paul Hodges began his journey into the fire service at the Park Forest Fire Department on June 15, 1981 when he joined the Department's Paid on Call Division; and

WHEREAS, Paul Hodges began his full-time firefighting career as a member of the Park Forest Fire Department on August 29, 1982, and

WHEREAS, Paul Hodges became certified as an EMT-Basic and then an EMT- Paramedic in 1983 and has maintained these skills throughout his career, and

WHEREAS, Paul Hodges has, during his career with the Fire Department, obtained numerous Illinois State Fire Marshal certifications, attended training at the National Fire Academy and received an Associate's Degree in Fire Science from Prairie State College, and

WHEREAS, Paul Hodges completed the Fire Investigator Certification Program and the Illinois State Police Department's Basic Arson Investigator training course becoming certified as the Fire Department's second Arson Investigator on June 20, 1991, and

WHEREAS, Paul Hodges was promoted to the rank of Lieutenant on August 14, 1994, and went on to lead the members of "C" Shift for many years, and

WHEREAS, Paul Hodges served as the Fire Department's lead agent for fire reporting through the National Fire Incident Reporting System, sharing his knowledge and skills with others time and time again, and

WHEREAS, Paul Hodges represented the Fire Department, and himself, well as a member of the bowling team, softball team and the resident expert on all things music related, and

WHEREAS, Paul Hodges served the citizens of the Village and the members of the Fire Department as a union officer for the International Association of Fire Fighters Local 1263, leaving the organization as its President, and

WHEREAS, Lieutenant Paul Hodges has spent a long and distinguished career with the Park Forest Fire Department as a leader, mentor and friend to its members, and

WHEREAS, After more than 31 years of service to the citizens of Park Forest, Lieutenant/Paramedic Paul Hodges recently announced his retirement from the Park Forest Fire Department, but will continue his journey in the Fire Service as the Deputy Fire Chief of the Richton Park Fire Department.

NOW, THEREFORE BE IT RESOLVED by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, that the deepest appreciation of the Board of Trustees, Village Staff and citizens of Park Forest be expressed to Lieutenant/Paramedic Paul Hodges upon his retirement for his years of dedicated service to the Village; and that the Village Board and Staff of Park Forest wishes Paul a long, happy, healthy retirement during which he enjoys his family, friends and other interests.

ADOPTED this 10th day of September, 2012.

APPROVED: **ATTEST**:

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Mayor Village Clerk

AGENDA BRIEFING

MEMORANDUM:

DATE: September 4, 2012

TO: Mayor John A. Ostenburg
Board of Trustees

FROM: Deputy Chief Mike McNamara

RE: **A Resolution Authorizing the Sale by Public Auction of Personal Property Owned by the Village of Park Forest**

Background Discussion:
The attached resolution provides authority for the Village of Park Forest to participate in the Dyer Auto Auction at which one vehicle, seized in a drug arrest (2001 Pontiac Montana Passenger car, VIN # 1GMDX03EX1D131334) will be sold.

Schedule for Consideration:
This item will appear on the Consent Agenda of the Regular meeting to be held on September 10, 2012 for your consideration.

Resolution No.______

A RESOLUTION AUTHORIZING THE DISPOSAL OF PERSONAL PROPERTY OWNED BY THE VILLAGE OF PARK FOREST

WHEREAS, Article VII, Section of the Constitution of the State of Illinois, and Chapter 17/27, paragraph 741-748 of the Illinois Revised statutes, authorize and encourage intergovernmental cooperation; and

WHEREAS, the South Suburban Mayors and Managers Association, a corporate organization representing municipalities and townships chartered within the State of Illinois and Counties of Cook and Will organizes joint municipal auctions of surplus vehicles; and

WHEREAS, in the opinion of the corporate authorities of the Village of Park Forest, it is no longer necessary, useful, or in the best interest of said jurisdiction to retain ownership of the personal property hereinafter described.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Board of Trustees:

SECTION ONE: pursuant to Chapter 65, Section 5/11-76-4 of the Illinois Compiled Statutes the Mayor and Board of Trustees of the Village of Park Forest find that the personal property described in Attachment A now owned by said jurisdiction would be best served by the property's sale.

SECTION TWO: the Village Manager is hereby authorized to direct the auction, sale or donation of the aforementioned personal property

SECTION THREE: where applicable, the Village Manager is hereby authorized to direct the auctioneer to advertise the sale of the aforementioned personal property through all channels deemed appropriate prior to the date of said auction.

SECTION FOUR: Upon full payment of an auctioned price for the aforesaid items of personal property by the highest bidder, the Village Manager is authorized to direct the auction company to convey and transfer the title and ownership of said personal property to the bidder.

SECTION FIVE: this resolution shall be in full force and effect from and after its passage by a vote of a majority of the corporate authorities, and approval in the manner provided by law.

PASSED this day of 2012.

APPROVED: **ATTEST:**

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Mayor **Village Clerk**

ATTACHMENT A

Department	Vehicle Make/Model	Year	Vehicle ID Number
Police	Pontiac Montana Passenger Car	2001	1GMDX03EX1D131334

AGENDA BRIEFING

DATE: September 5, 2012

TO: Mayor Ostenburg
Board of Trustees

FROM: Sandra Zoellner
Assistant Director of Economic Development and Planning

RE: Economic Development Advisory Group recommends updates and revisions to Village of Park Forest Development Incentive Policy

BACKGROUND/DISCUSSION:
In 2006, EDAG worked with staff to establish the Village of Park Forest Development Incentive Policy. That same year, the Board adopted the Development Incentive Policy. Since that time, the only updates made to the policy were to reflect changes in the policies of the other taxing bodies' incentives that are already adopted as part of the Village's policy.

In 2011/2012, one of EDAG's goals for the year is to review and update the incentive policy, if needed. The current policy is attached and the suggested revisions are shown in red mark-up. EDAG reviewed the policy over the course of five months. In April 2012, they voted unanimously to submit their recommendations for updates to the Board of Trustees and Mayor for review and adoption.

The attached Memorandum from EDAG's Chairperson, further clarifies their perspective and reasons for the recommended deletions, additions, and grammatical changes.

SCHEDULE FOR CONSIDERATION: This item will appear on the agenda of the Regular meeting agenda of September 10, 2012 for approval.

RESOLUTION ___________________

A RESOLUTION AMENDING RESOLUTION R-06-35 TO AMEND THE DEVELOPMENT INCENTIVE POLICY

WHEREAS, the Village of Park Forest's Economic Development Advisory Group has prepared a Development Incentive Policy to establish policies, procedures, and evaluation criteria for consideration of requests for development incentives; and

WHEREAS, said Development Incentive Policy has been amended and presented to the Board of Trustees as attached.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, that the Development Incentive Policy is approved as amended.

ADOPTED this day of September, 2012.

APPROVED: ATTEST:

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Village Mayor Village Clerk

MEMORANDUM

DATE: August 1, 2012

TO: Mayor Ostenburg
Board of Trustees

FROM: Sam Montella, Chairperson
Economic Development Advisory Group

RE: Updating the Village of Park Forest's Development Incentive Policy

In 2006, EDAG participated in drafting and crafting an official Development Incentive Policy, which was later adopted by the Board of Trustees. Six years have passed since the policy was adopted and the economic environment has changed.

After much discussion of the Development Incentive Policy over a five month time frame, the EDAG voted unanimously to recommend updating and revising the Village of Park Forest Development Incentive Policy.

Notable changes include:
Page One: You notice on the second paragraph, we added Will County, since they added an incentive with Tax Rebates. Park Forest has properties in Will; therefore we can take advantage of this in the future.

On the DownTown TIF we decided to delete the last 5 lines since the material is dated and not necessary for Incentive inventory purposes.

Page Two: We decided to drop the last 4 lines since the material is also dated and not necessary.

Village Tax Incentives was shortened since it refers to detail below.

Village Tax Abatements added the simple words of "which results in increased property value". This is paramount to the process. What follows in the same paragraph is the process for applying.

Page Three: We removed "for industrial properties"; the County no longer distinguishes commercial and industrial properties for renewals.

The process for Will County Tax Abatement was added for future request.

On Village owned properties, we deleted on how ownership was achieved.

The following paragraph under Village owned is dated because we have added other properties to the list

Sign Grants was simply grammatical.
Page Four: Under “C we understand a development agreement is not necessary for all incentives. This was changed for clarification.

Under Procedures “C” we deleted “to achieve a competitive advantage”, which is not considered to be a sufficient reason to secure an incentive

Under Procedures, We added an adjective to benefits under D.

Under E, we added other documents necessary of individuals or firms to prove financial stability and ability to complete the project.

Under procedures we deleted the second line in the last paragraph because it sounds like Staff makes the recommendation and EDAG becomes the conduit.

Page Five: the change was grammatical.

Members of EDAG will be present at the Board Meeting, September 4, 2012 to answer questions that may arise.

Development Incentive Policy

Introduction

The Village of Park Forest uses various forms of assistance and development incentives for the purpose of attracting new businesses to the Village, helping existing businesses expand, and helping start-up businesses get underway. These incentives are designed to help the Village achieve the long-term goals of expanding the property and sales tax base, providing new jobs to Village residents, and providing for the enhancement of the quality of life in the community, while at the same time meeting the legitimate cost concerns of companies locating or expanding in a specific location.

Incentives are available directly from the Village of Park Forest, as well as from Cook County, Will County, the State of Illinois, and the federal government. When appropriate, the Village will work with a qualified business to assist them in obtaining non-Village incentives. Village incentives are negotiated on a case-by-case basis, with consideration given to the specific type of company and the location within the Village. Incentives may include property tax relief, sale tax refunds, tax increment financing (where available), and infrastructure improvements.

Any business interested in pursuing a development incentive from the Village, or other governmental entity, should seek information about the incentive as early in the planning process as possible. Many of these incentives are granted on a "but for" basis – in other words, the incentive is only granted if the business can demonstrate that "but for" the incentive the project could not proceed. Therefore, in many cases, if any type of work is initiated on the project prior to the approval of an incentive, the property owner may disqualify themselves from that incentive.

Inventory of Village Incentives

Tax Increment Financing

Tax increment financing (TIF) is a redevelopment tool authorized by State Statute to spur the revitalization of certain areas determined to be in a "blighted" condition. The "tax increment" is the difference in the amount of property taxes collected before and after the designation of a TIF district. It is assumed that there will be a positive tax increment resulting from reinvestment in the property by the municipality and private property owners. In Park Forest, two TIF Districts have been designated, including the DownTown Park Forest TIF District and the Norwood Square Shopping Center TIF District. In both cases, TIF benefits are awarded on a "pay as you go" basis. This means that the private developer must pay for redevelopment costs up-front with the expectation that the tax increment will be sufficient to reimburse them for those redevelopment costs that are TIF eligible. TIF benefits to property owners within the District are not automatic. Each redevelopment project within the TIF District must be approved for benefits based on a detailed analysis of the investment to be made by the developer and the projected impact on tax increment.

DownTown Park Forest TIF District

The DownTown Park Forest TIF District was first created in 1985. At that time the property was known as the "Park Forest Plaza" and it was in private ownership. The Village of Park Forest purchased the Park Forest Plaza in 1995 and began implementation of a master plan to convert the former shopping center to a traditional downtown. As part of these plans, the original TIF District was dissolved and a new TIF District created in 1997. The current DownTown Park Forest TIF District will dissolve in the year 2020. ~~Two significant private developments have occurred in the District, with the benefit of TIF incentives, including the Victory Centre, an assisted and independent living facility. In addition, the Village has recently entered into a redevelopment agreement with Bigelow Homes for the purchase and development of 63 single family home lots within the TIF District.~~

Norwood Square Shopping Center TIF District.
The Village's second TIF District was created in 2005 and encompasses a 14 acre site on Western Avenue. The Norwood Square Shopping Center is a 129,000 square foot shopping center that the Village purchased in 2002 and 2005 (various parcels were purchased at different times) through the Cook County No Cash Bid Program. ~~The Village is currently in the process of negotiating a real estate purchase contract with a shopping center developer for the purchase and redevelopment of this parcel. It is expected that the redevelopment of this property will be accomplished, in part, with TIF incentives.~~

Sales Tax Rebates
A sales tax rebate will be considered when a retail operation is projected to generate a significant amount of sales tax to the Village, based on the 1 percent municipal share of the total sales tax generated. The Village will consider sharing a portion of the municipal share of the sales tax with the retailer for a specified number of years based on the type of retailer, the gap it will fill in the Village's inventory of retail, and the total amount of sales tax expected to be generated. It is expected that this rebate will be used to benefit the retailer's Park Forest location, either by reimbursing redevelopment costs, paying for ongoing marketing of the Park Forest store, or other specified means.

Property Tax Incentives
Property tax incentives ~~have been granted as abatements from the Village of Park Forest's share of the property tax bill and as support for Cook County's property tax incentives. These~~ are ~~each~~ described in more detail below.

Village Property Tax Abatements
The Village will consider requests to abate a portion of the municipal share of property taxes for a specified period of time. ~~This has generally been~~ The abatement is tied to an improvement in the value of the property, either through new construction or substantial rehabilitation of an existing structure which results in increased taxable property value. In addition, property that has been assessed at a vacancy rate for a period of time may also qualify. Because the municipal share of property taxes is typically in the range of 30 percent of the total property tax bill, this incentive is often tied to similar incentives from the appropriate school districts (which must be negotiated separately between the developer and the school district). In this manner, the property tax abatement can achieve a more significant reduction in taxes.

Abatements are available for Cook and Will County properties in the Village of Park Forest. The Village's abatement, if approved, will not exceed the term or rate of the abatement offered by other taxing bodies. A Village of Park Forest Tax Abatement cannot be combined with a Cook County Class 8 Tax Incentive. To qualify for a Village of Park Forest Tax Abatement the applicant must be current and in compliance with all Village of Park Forest ordinances, regulations and fees. If a lease is involved , it must be attached to the application.

Cook County Class 8 Property Tax Incentive
Cook County has created several property tax incentives designed to encourage property owners to undertake new construction, or substantial rehabilitation or reutilization of abandoned buildings for commercial and industrial purposes. The Class 8 incentive is the most versatile of these options because it can be used for either commercial or industrial projects. This incentive assesses qualifying real estate at a reduced assessment level for a period of 12 years from the date that new construction or substantial rehabilitation is completed and initially reassessed or, in the case of abandoned property, from the date of substantial reoccupation. The assessment is reduced from 25 percent (for industrial and commercial property) to 10 percent of market

value for the first 10 years, to 15 percent in year 11 and 20 percent in year 12. Cook County regulations allow this incentive to be renewed ~~for industrial properties~~.

Because Park Forest is located in Rich and Bloom Townships, the only qualifier for the Cook County Class 8 incentive is the support of the municipality. This special allowance is made for the five townships targeted by the South Suburban Tax Reactivation Pilot Program (also includes Bremen, Calumet, and Thornton Townships). If the Village supports the requested property tax incentive, the Village Board will be asked to approve a resolution stating its support for the County incentive. The property owner is then responsible for submitting a formal application to Cook County for this incentive.

Will County Tax Abatement Program

The Will County Tax Abatement Program provides for up to a five-year, 50% real estate property tax abatement for new, newly occupied or expanded facilities. Under Illinois Statutes, each taxing body must enter into a separate tax abatement agreement with the company occupying a facility in Will County. Typically the request is made of the County, municipality and the school districts which, on average, represent about 50% of the property tax bill. In addition to submitting a Village of Park Forest Incentive Application, a Will County Tax Abatement Application must be submitted to the Will County Center for Economic Development to start the process. A Village of Park Forest Tax Abatement can be combined with a Will County Tax Abatement.

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Village – Owned Properties
The Village of Park Forest owns a number of properties throughout the community ~~that have been purchased through Cook County's No Cash Bid Program~~. These properties have the potential for residential, commercial, or industrial development, depending on location. The Village's goal in acquiring these properties was to ensure that they are put back into productive, tax generating use. The manner in which Village-owned properties are sold will vary based on potential use, location, and other incentives available. The Village will work closely with qualified developers to bring all required entitlements to the process in order to achieve our goals of enhancing the tax base and quality of life in the community.

~~Among the properties that are currently in Village-ownership are several buildings in DownTown Park Forest. These properties are primarily marketed for retail and office use. Attractive lease rates and build-out allowances are provided to the businesses that locate in the Village's downtown properties. The Village also owns properties in the Park Forest Business Park that are available for sale and development.~~

Sign Grants
For businesses located in DownTown Park Forest, the Village offers a sign grant program ~~to~~ , which will pay one-half (1/2) the cost of a building sign, up to a maximum of $1,000.00.

Policies

The following policies will be applied when development incentive requests are considered within the Village of Park Forest:

A. Certain areas within the Village have priority relative to receipt of incentives. The priority areas are as follows (in no specific order):
   a. Norwood Square Shopping Center
   b. DownTown Park Forest
   c. Neighborhood Shopping Redevelopment Sites along Sauk Trail
   d. Business Park
   e. 211th Street transit-oriented development area
   f. Village-owned properties under contract to private developers

B. Village support of incentive requests is generally limited to projects that involve new construction, significant rehabilitation, reoccupancy of vacant commercial or industrial properties, or the sale of Village-owned properties.
C. If a development agreement is required, the ~~All~~ incentive package~~s~~ shall be contained within ~~a~~ the development agreement.
D. Whenever appropriate, incentives will be performance-based with established performance criteria.
E. If performance goals are not met, all or a portion of the incentive funding shall be required to be returned to the Village.
F. The individual or firm receiving incentives shall be responsible for the Village's attorney fees required to prepare and negotiate the development agreement.
G. The Village will not consider any requests for waiver of the following fees or charges: construction permit fees, utility rates, development impact fees, recapture fees, property transfer fees, and other fees required by Village ordinances.

Procedures

Specific procedures have been put in place to help guide the decisions on incentive requests. These procedures are detailed below and should be followed for any individuals or firms interested in applying for development incentives with the Village of Park Forest.

To qualify for consideration, all individuals and firms requesting incentives shall provide the following information as part of their application package:

A. Completed Development Incentives Application form, including all required attachments (see attached).
B. Detailed development pro forma, including but not limited to such information as the projected amount of investment to be made in the project; the projected assessed and equalized assessed value of the property over the life of the requested incentive; the projected sales tax revenue to be generated, if any, from the project.
C. Description of the requested incentive, including the requested amount of incentive, term of the requested incentive, and a description of why this is required to fill a funding gap ~~or to achieve a competitive advantage~~. This should also be demonstrated in the detailed development pro forma.
D. Description of the tangible benefits to the Village, including number of potential jobs, ability to fill a gap in the current business market, potential property and sales taxes generated, and other intangible benefits.
E. Documentation of the individual or firm's financial stability and ability to complete a successful project, which may include a detailed business plan, a personal financial statement and the immediately prior two years of income taxes if a start-up, a published annual report, and/or three to five years of audited annual financial reports for an existing business.

Upon the receipt of a complete application package, all requests for incentives shall be analyzed by ~~the staff Development Review Team, which will make a recommendation to~~ the Economic Development Advisory Group (EDAG). The EDAG, ~~in turn,~~ may ~~will~~ make a recommendation to the Mayor and Board of Trustees, who have the final approval on any request for development incentives.

Evaluation Criteria

All development proposals or requests for financial incentives shall be submitted in a format that addresses the above-mentioned Policies and Procedures. In addition, each submittal shall be evaluated based upon the following criteria:

A. The potential for receiving development incentives is available to private businesses based upon the following criteria:
   a. Location of development.
   b. Types and number of jobs created.
   c. Tax benefits (property and/or sales) to the Village.

B. The development must be something that is of a public benefit (see footnote 1) to the Village.

C. The impact of a proposed development on existing businesses in the Village shall be evaluated when considering the use of incentives for the new development.

D. The assisted business must have the potential to grow or expand and/or the potential of attracting other related positive development.

E. It is the Village's preference that incentive funding be directed toward public improvements whenever possible. (See footnote 2.)

F. The amount of the incentive must be recaptured within a reasonable time period based upon the industry.

Summary

It is the intent of the Village's Development Incentive Policy to establish a framework by which requests for development incentives submitted to the Village of Park Forest can be reviewed and evaluated in an objective fashion. This Policy provides developers, individuals, and others wishing to conduct business with the Village with a clearly-defined set of development principles, policies and evaluation criteria for proposals to be submitted to the Village for review. The Policy also provides the Village with a clearly-defined set of guidelines that will direct its review and evaluation of proposals.

Footnotes

(1) Public benefit means that a proposed development will result in increased tax revenue, desired additional employment or have an identifiable effect of stimulating further and additional desired economic development which outweighs the proposed incentive to be provided by the Village.

(2) Public Improvements means Village owned and maintained water mains, hydrants and other necessary works and appurtenances for providing water service; sanitary sewers or other instrumentalities or appurtenances for providing sanitary sewer service; sidewalks, curbs, gutters, streets, off-street parking lots, culverts, bridges, or viaducts; drains, sewers and appurtenances for providing storm water drainage; traffic signs, signals, lights and lighting; poles, posts, wires, conduits, lamps and other appurtenances providing for street lighting; parks, parkways and recreational paths; and acquisition of any and all property, easements and rights of way which may be necessary to accommodate such improvements.

AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor Ostenburg
Board of Trustees

FROM: Ronald Erickson, Chief Water Plant Operator

SUBJECT: Award of Contract: Well Maintenance, Well No. 1 - REVISED COSTS

BACKGROUND/DISCUSSION:

On April 23, 2012, the Department of Public Works submitted an Agenda Briefing, for well maintenance on Well No. 1. See attached briefing. In the briefing it was noted that a firm price for repairs would need to be established after the pumping equipment was pulled and inspected.

The pumping equipment was removed from the well, evaluated and inspected. The contractor's, June 26, 2012, Well #1 Recommended Repairs report with photos is attached. Several unforeseen repairs need to made in order to put the well back into service. Most notable, are the repairs to the 75 horsepower submersible motor. The cost to repair the existing motor is $18,970.00. The cost for a new replacement motor ranges from $28,531.00 to $34,702.00. In the case of this motor it is recommended to repair it, to like new condition. Other repairs include 155 feet of power cable, cable guard, pump/motor adapter, motor pigtail and motor oil reservoir. A revised bid tab sheet and the contractor's, revised 8-15-12, Well #1 Recommended Repairs, proposal is attached.

The original project bid amount approved by the Board was $29,618.00. The additional repair cost is 28,835.75, for a total project cost of $58,453.75. Purchases will be paid from the Water Fund. The FY11/12budget includes $50,000 for the work to the well. The balance of the funds needed for the project will be used from the Water Fund, Maintenance Account.

RECOMMENDATION: The Public Works Department recommends that the Board award the additional revised amount of the contract, in the amount of $28,835.75, for a total project cost of $58,453.75 to Midwest Well Services, dba Municipal Well & Pump, 1212 Storbeck Drive, Waupun, Wisconsin, 53963.

SCHEDULE FOR CONSIDERATION: This item will appear on the Regular Meeting Agenda of September 10, 2012, for your consideration.

AGENDA BRIEFING

DATE: April 19, 2011

TO: Mayor Ostenburg
Board of Trustees

FROM: Ronald Erickson, Chief Water Plant Operator

SUBJECT: Award of Contract: Well Maintenance, Well No. 1

BACKGROUND/DISCUSSION:

On Tuesday, April 3, 2012, at 1:30 p.m., the Department of Public Works opened bids for well maintenance on Well No. 1. The bid was advertised in the SouthtownStar and followed Village policies for purchases over $20,000. Five bids were sent out and four bids were received for consideration. A bid tab sheet is attached.

The preventive maintenance project for Well No. 1 will consist of the contractor pulling the pump and pumping components completely to the surface; conducting a T.V. survey of the well; sandblasting pump component parts that may be considered for reinstallation; inspection; protective column coating; furnishing repair parts as needed; reinstalling the pump after repair; chlorinating the well and pump to EPA regulations and performing a two hour performance test to waste.

Well No. 1, located in Well Court and drilled in the 1950's, is one of highest producing wells in our system. The Well No. 1 pump assembly was last inspected and serviced in 2006.

The bid is divided into two sections, Well No. 1 – Labor and Services, Well No. 1 - Replacement Parts. The bid tab sheet is attached. The low bidder was Midwest Well Services, dba Municipal Well and Pump, with a total bid of $29,618.00 for both sections. After bid opening and review of the bids, an error was found on item J of the Replacement Parts section of the bid. The contractor was contacted and asked to clarify the bid. The contractor informed us that an error had occurred in the bid. Item J, Replacement Parts, was bid at $928.00 and should have been $580.00 (see attached April 14, 2012 contractor's e-mail). This clarification also changed the Total Bid Amount and made Midwest Well Services the low bidder.

The pump repair parts section of the bid is used to establish a price point for individual parts. After the pump components are removed and inspected, a firm parts cost will be established. Due to unforeseen circumstances, the cost for pump repair parts could exceed the total bid for that section. If the costs exceed the bid, proper Village purchasing procedures will be followed in completing the project.

Purchases will be paid from the Water Fund. The FY11/12budget includes $50,000 for the work to the well. The bid from Midwest Well Services is under budget.

Midwest Well Services has preformed maintenance on Village wells in the past with satisfactory results

RECOMMENDATION: The Public Works Department recommends that the Board award the contract to the lowest bidder, Midwest Well Services, dba Municipal Well & Pump, 1212 Storbeck Drive, Waupun, Wisconsin, 53963.

SCHEDULE FOR CONSIDERATION: This item will appear on the Rules Meeting Agenda of April 23, 2012, for your consideration.

MUNICIPAL
WELL & PUMP

June 26, 2012 ***(Revised 8-15-12)***

Village of Park Forest
Mr. Ken Eyre, P.E.
350 Victory Drive
Park Forest, IL 60466

Well #1 Recommended Repairs

Dear Ken:

We have completed our evaluation of the pumping equipment from well No. 1. This included pump removal, inspection of column pipe, disassembly & inspection of the bowl assembly, and visual inspection of the 75HP Byron Jackson motor. In addition, the well was also televised.

Following is a breakdown of the various components and our initial estimate for repairs to the equipment and well.

75HP Byron Jackson Motor

The 75HP motor is in fairly rough shape. From the enclosed pictures, you can see that the motor housing has a severe pit, in addition to the reservoir housing being extremely deteriorated. We are unsure of the internal components of the motor, however, we are providing an estimate at this time for repairs. This is an "estimate only" and when the unit is disassembled at the factory, we can offer a more detailed report and cost for repair. ***See below for update.***

The 75HP motor has been disassembled and inspected. The unit is in need of rebuilding, including a rewind. Some mercury has beaded on top of the motor. The mercury seal needs to be replaced with a double mechanical seal per Illinois EPA mandate. The lower motor reservoir housing will be replaced along with machining of the o-ring fit area.

Layne 12RKAH-3 stage bowl assembly

The bowl assembly is an "all bronze" unit and is repairable. The unit will require installation of new bronze wear rings, machining of impeller skirts to fit the new wear rings, new bowl shaft and new bowl bearings.

In addition, the pump/motor adapter bracket is extremely deteriorated and corroded and must be replaced. The attached pictures will further demonstrate or discussions.

Column Pipe

The 8-inch column pipe is in fair to poor condition. It is recommended to replace all of the steel column pipe, and the coupling on the stainless steel piece. There was no check valve in the installation. We are not sure if that is by design, or not. It would be our recommendation to have a check valve.

Submersible Cable

The "0000", or four-ought submersible cable appeared to be in good condition. We did notice quite a few nicks and cable penetrations. See pictures. We hi-potted the cable and had readings of Black: 65-Gigohms, Yellow: 236-Gigohms and Orange: 269-Gigohms. Even though the readings are high, the low black lead is suspect. We could do a submerged in water test, however, due to the short setting, it is recommended to replace the cable.

Well Televising

The well was televised and the static water level was recorded at 65-feet. The total depth measured 290-feet and indicates that there is 10-feet of fill in the bottom of the well. The material on top of the fill appears to be pieces of the steel casing that have fallen off from the 95 to 100-foot area in the well. This is very concerning. These pieces may have fallen during the pulling of the well pump indicating that the casing is extremely compromised.

It is our opinion that this area should be repaired with either a sleeve installation, or a liner installation to repair the void. The geologic formation in the void area is also very ominous and on the brink of allowing material to enter the borehole and compromise the integrity of the installation.

We would like to meet with you as soon as possible to discuss the well collapse.

Miscellaneous

The airlines will be replaced, in addition to stainless steel banding, tape , etc.

Breakdown of proposed repairs as of this writing are as follows:

Section IV-Labor & Services

Item A.	Remove, inspect, report	$	5,040.00
Item B.	Field Inspection	$	600.00
Item C.	Hy-pot cable	$	300.00
Item D.	Sand Blast column pipe, 147-feet @ $9.00/ft. ...	$	1,323.00
Item E.	Apply double epoxy coating, 147-feet @ $9.00/ft.	$	1,323.00
Item F.	Cut & rethread ends	$	0.00
Item G.	Drill & tap Couplings 7 @ $10.00-each	$	70.00

Item H.	Install Zinc Sleeves 14 @ $32.00 each	$ 448.00
Item I.	Rebuild Bowl assembly, Est. 30-hours @ $62/hr.	$ 1,860.00
Item J.	Television Survey	$ 2,800.00
Item K.	Reinstallation, etc.	$ 6,840.00
Total Bid Labor Services		**$ 20,604.00**

Section VII-Replacement Parts

Item A.	8" sch. 40 T&C pipe, 147-feet at 33.00/foot	$ 4,851.00
Item B.	Stainless Steel Impeller shaft	$ 530.00
Item C.	8" Lakewood Surge control valve	$ 1,040.00
Item D.	¾" SS Banding & Buckles, 1-roll @ $200/roll	$ 200.00
Item E.	Stainless steel cable guard	$ 130.00
Item F.	Epoxy Pipe coating est. 12-gallons @ $78.00/gal.	$ 936.00
Item G.	Bronze for wear rings, est. 50-lbs. @ $19.00/lb.	$ 950.00
Item H.	¼-inch PVC airline	$ 50.00
Item I.	ID zinc sleeves, 7 @ $116.00-ea.	$ 812.00
Item J.	OD zinc sleeves, 7 at $116.00-ea.	$ 812.00
Total Bid Replacement Parts		**$ 10,311.00**

Supplemental Pricing

Item 1.	Pump/Motor adapter	$ 1,403.00
Item 2.	Sand Blast & Paint Pitless spool piece/new o-rings	$ 550.00
Item 3.	***Motor repairs ....***	***$ 16,150.00***

Includes:

a. Disassemble & Inspect
b. Manufacture seal carrier & pump register
c. Manufacture sand slinger
d. Machine top end bell for new seal carrier
e. Two new Type 1 seals with silicon Carbide Faces and Viton rubber bellows
f. Stub rotor extension & mill keyway
g. Balance rotor
h. Check lower can for fit and machine as required
i. Re-lap driver and down thrust bearing
j. Replace all gaskets, O-rings, filter
k. Reassemble
l. White mineral oil
m. No-Load test run
n. Paint w/two part epoxy

o. Machine oil reservoir o-ring fit
p. Motor rewind
q. Surge & Hy-pot stator winding
r. Re-lap driver and down thrust bearing

Item 4.	Motor Freight, round trip, est.	$ 1,200.00
Item 5.	Reconditioned motor oil reservoir	$ 1,350.00
Item 6.	New 75HP motor pigtail	$ 2,470.00
Item 7.	New submersible cable, 4/0 , 155-feet at $24.65/ft.	$ 3,820.75
Item 8.	Cable Guard to cover casing compromise	$ 595.00

Total Estimated Supplemental .... **$ 27,538.75**

Summary:

Total Bid Labor Services	**$ 20,604.00**
Total Bid Replacement Parts	**$ 10,311.00**
Total Estimated Supplemental	**$ 27,538.75**
Total Projected Investment	**$ 58,453.75**

Air vacuum valve and check valve confirmed in vault next to well.

Motor Price Comparisons

Repair of existing Motor	***$18,970.00***
New Oil filled motor	***$34,702.00***
New water filled motor	***$28,531.00***

As a result of the cost comparisons, based on dollar amount, it makes sense to rebuild the existing motor.

After review, kindly let me know when you would like to meet to discuss the project. I would be available the week of July 9, 2012.

Respectfully Submitted,
MUNICIPAL WELL & PUMP

Dick

Richard N. Milaeger
Vice President

MUNICIPAL
WELL & PUMP

June 26, 2012

Village of Park Forest
Mr. Ken Eyre, P.E.
350 Victory Drive
Park Forest, IL 60466

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Following is a breakdown of the various components and our initial estimate for repairs to the equipment and well.

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The 75HP motor is in rough shape. From the enclosed pictures, you can see that the motor housing has a severe pit, in addition to the reservoir housing being extremely deteriorated. We are unsure of the internal components of the motor, however, we are providing an estimate at this time for repairs. This is an "estimate only" and when the unit is disassembled at the factory, we can offer a more detailed report and cost for repair.

Layne 12RKAH-3 stage bowl assembly

The bowl assembly is an "all bronze" unit and is repairable. The unit will require installation of new bronze wear rings, machining of impeller skirts to fit the new wear rings, new bowl shaft and new bowl bearings.

In addition, the pump/motor adapter bracket is extremely deteriorated and corroded and must be replaced. The attached pictures will further demonstrate or discussions.

Column Pipe

The 8-inch column pipe is in fair to poor condition. It is recommended to replace all of the steel column pipe, and the coupling on the stainless steel piece. There was no check valve in the installation. We are not sure if that is by design, or not. It would be our recommendation to have a check valve.

Submersible Cable

The "0", or one-ought submersible cable appeared to be in good condition. We did notice quite a few nicks and cable penetrations. See pictures. We hi-potted the cable and had readings of Black: 65-Gigohms, Yellow: 236-Gigohms and Orange: 269-Gigohms. Even though the readings are high, the low black lead is suspect. We could do a submerged in water test, however, due to the short setting, it is recommended to replace the cable.

Well Televising

The well was televised and the static water level was recorded at 65-feet. The total depth measured 290-feet and indicates that there is 10-feet of fill in the bottom of the well. The material on top of the fill appears to be pieces of the steel casing that have fallen off from the 95 to 100-foot area in the well. This is very concerning. These pieces may have fallen during the pulling of the well pump indicating that the casing is extremely compromised.

It is our opinion that this area should be repaired with either a sleeve installation, or a liner installation to repair the void. The geologic formation in the void area is also very ominous and on the brink of allowing material to enter the borehole and compromise the integrity of the installation.

We would like to meet with you as soon as possible to discuss the well collapse.

Miscellaneous

The airlines will be replaced, in addition to stainless steel banding, tape , etc.

Breakdown of proposed repairs as of this writing are as follows:

Section IV-Labor & Services

Item A.	Remove, inspect, report	$ 5,040.00
Item B.	Field Inspection	$ 600.00
Item C.	Hy-pot cable	$ 300.00
Item D.	Sand Blast column pipe, 147-feet @ $9.00/ft. ...	$ 1,323.00
Item E.	Apply double epoxy coating, 147-feet @ $9.00/ft.	$ 1,323.00
Item F.	Cut & rethread ends	$ 0.00
Item G.	Drill & tap Couplings 7 @ $10.00-each	$ 70.00
Item H.	Install Zinc Sleeves 13 @ $32.00 each	$ 224.00
Item I.	Rebuild Bowl assembly, Est. 30-hours @ $62/hr.	$ 1,860.00
Item J.	Television Survey	$ 2,800.00
Item K.	Reinstallation, etc.	$ 6,840.00
Total Bid Labor Services	....	**$ 20,380.00**

Section VII-Replacement Parts

Item A.	8" sch. 40 T&C pipe, 147-feet at 33.00/foot	$	4,851.00
Item B.	Stainless Steel Impeller shaft	$	530.00
Item C.	8" Lakewood Surge control valve	$	1,040.00
Item D.	¾" SS Banding & Buckles, 1-roll @ $200/roll	$	200.00
Item E.	Stainless steel cable guard	$	130.00
Item F.	Epoxy Pipe coating est. 12-gallons @ $78.00/gal.	$	936.00
Item G.	Bronze for wear rings, est. 50-lbs. @ $19.00/lb.	$	950.00
Item H.	¼-inch PVC airline	$	50.00
Item I.	ID zinc sleeves, 7 @ $116.00-ea.	$	812.00
Item J.	OD zinc sleeves, 7 at $116.00-ea.	$	812.00
Total Bid Replacement Parts		**$**	**10,311.00**

Supplemental Pricing

Item 1.	Pump/Motor adapter	$	1,403.00
Item 2.	Sand Blast & Paint Pitless spool piece/new o-rings	$	550.00
Item 3.	Estimated Motor repairs	$	13,220.00

Includes:

a. Disassemble & Inspect
b. Manufacture seal carrier & pump register
c. Manufacture sand slinger
d. Machine top end bell for new seal carrier
e. Two new Type 1 seals with silicon Carbide Faces and Viton rubber bellows
f. Stub rotor extension & mill keyway
g. Balance rotor
h. Check lower can for fit and machine as required
i. Re-lap driver and down thrust bearing
j. Replace all gaskets, O-rings, filter
k. Reassemble
l. White mineral oil
m. No-Load test run
n. Paint w/two part epoxy

Complete report furnished upon factory inspection

Item 4.	Motor Freight, round trip, est.	$	1,200.00
Item 5.	Reconditioned motor oil reservoir	$	to follow
Item 6.	New 75HP motor pigtail	$	2,470.00
Total Estimated Supplemental		**$**	**18,843.00**

Total Bid Labor Services	**$ 20,380.00**
Total Bid Replacement Parts	**$ 10,311.00**
Total Estimated Supplemental	**$ 18,843.00**
Total Projected Investment	**$ 49,534.00**

After review, kindly let me know when you would like to meet to discuss the project. I would be available the week of July 9, 2012.

Respectfully Submitted,
MUNICIPAL WELL & PUMP

Dick

Richard N. Milaeger
Vice President

Enclosure: Repair Report Packet

Pump / Motor Inspection Report

MUNICIPAL
WELL & PUMP

Job #	MD12-187
Date	6/8/2012
Well #	1

Customer Information

Customer:	Village of Park Forest					Contact Name:	Ron Erickson
Address:	350 Victory Drive					MWP Salesman	Dick Milaeger
City:	Park Forest	ST:	IL	ZIP:	60466	Completed By	Andy Klemme
Phone #	708-748-5346	Fax: #	-				

Pump Data

Description of Equipment	75 HP Submersible Well Pump				
Pump Setting (feet)	159-feet	Type of Pump		Submersible	
Design Data Capacity	1000 GPM @		220 TDH @	1750 RPM	

Motor Data

Manufacturer Name:	BJ		Model:		Type H-mercury seal	Type (WPI, TEFC,SUB, Ver)	Submers.
HP	75	RPM	1750	Design		Code	
Volts	460	Hertz	60	Phase	3	Amps	98
Service Factor	1.1	Temp Rating		Bearings (Upper / Lower)			
Serial Number	10-229-4-1RB				Frame #		
Condtion	poor, badly pitted, reservoir bad			Ohm L1-L2		L1-L3		L2-L3	

Right Angle Gear Data

Manufacturer Name:	N/A		Model:			Rot. Fig. (1, 2, 3)	
Serial Number			HP		Tractor PTO		Other	
Steady Bearing Adapter ID		Overall Height		Base Diameter Upper		Base Diameter Lower	
Base to Top of Drive Coupl		Condition					

Discharge Head

Manufacturer Name:	Baker Pitless		Model:		PS1618	Material	Steel
Discharge Diameter		Top Col Flange			Adj. Butt Flange		
Serial Number					Condition	Sand blast & coat	

Stuffing Box

Water Lube	NA	Oil Lube		Bearing OD		Bearing ID		Length	
Threads per Inch LH		RH		Packing Size		Grease Ports (Y/N)	
Packing Type (Teflon/Graph)			Condition				

Column Pipe Data

Length:	1 - 5'0 SS			7_ @ 21_ Ft. 9_	In.	Thickness	sch 40
Material	steel	Outside Diam		Threads per Inch		Thread Length	
Thread Condition			Pipe Condition	poor	End Face Condition	Good	
Comb. Couplings (Y/N)	replace coupling on ss pipe replace 7 - 21 x 8" T & C zinc sleeves inside and out						

Column Coupling Data

Type (Std Steel/Comb Cplg)	Standard Steel	Length		Outside Diam		
Material		Thread Condition	Good			
Remarks		Coupling Condition	pitted			

Bearing Retainer Data

Shoulder Width		# of Spokes			Hub Length		Hub ID	
Type: (Yes/No if it Applies)	Threaded		Drop-In		Combination Coup.		
Thread Condition			End Face Condition				
Bearing Retainer Condition			Remarks				

Pump / Motor Inspection Report (continued)

Job #	MD12-187

Customer:	Village of Park Forest	Date	
		Well #	1

Bearing Data

Length	NA	Style (Snap In / Lock Ring)		Bearing ID		OD	
Bearing Condition							

Lineshaft Data

N/A

Length:	@ Ft. In.		@ Ft. In.		@ Ft. In.		
Material		Diameter		Threads per Inch		Thread Length	
Thread Condition			Shaft Cond.		Staightness		
Remarks							

Lineshaft Coupling Data

N/A

Length		Outside Diameter		Material		
Thread Condition			End Face Condition			

Jump Coupling

N/A

Location		Outside Diam		Threads/Inch Upper		Lower	
Thread Condition		Coupling Condition		Diameter Upper		Lower	

Shaft Sleeve Data

N/A

Length		Outside Diameter		Inside Diameter		Material	
Remarks							

Bowl Assembly

Manufacturer Name:	Layne		Model:	12RKAH	Stages	3	Outside Diameter		11.5"
Shaft Stick Up		Shaft Diam.	1 11/16	Thread / In		Impeller Type			
Bearing Type		Bearing O.D.		Bear I.D.		Length		Imp Mod#	
Discharge Nozzle Pipe Dia	8"	Suction Nozzle Pipe Dia.			Discharge Nozzel Thread Type				
Oil Lube Stick Up (inches)		Tube Bearing Thread/In L.H.			R.H.				
Serial Number	n/a								
Imp. Shaft Condition	poor replace			Bowl Condition		Rebuildable			
Thread Condition	Good			Overall Remarks		Pump adapter plate needs to be replaced			

Suction Pipe

Length		Diameter		Schedule:		Wall Thickness	
Thread Type(Butt or 3/4 taper)		T.O.E.		T.B.E.			
Condition							

Strainer

Length		Diameter		Material		Type (Cone/Basket)	
Attach (Weld/Thread/Coupling)			Condition				

Sub Discharge Elbow

Baker Pitless

					Yes/No
Column Diameter		Elbow Diam.		Column Coupled directly below Plate?	
Plate Thickness		Plate Diam.		Junction Box coupled to Plate?	
No. of Lifting Eyes		Eye Diam.		Airline sealed with compression coupling?	
Vent Diameter		No. of Bolts		Elec. Wires seal with compression couplings?	
Bolt Diameter		Condition of Sub Dischg Elb			

Submersible Cable

Size	0	Ground Wire	Yes	Wire Material	copper
Stranded or Solid	stranded	Wire Type (Rd / Par / Flt / Jkt)	Round	Insulation Type	Neoprene
Meg Ohm Reading	100+	Condition	has splice in cable, consider replacement		

Overall Comments	

Form Revision: 02-29-12

MUNICIPAL
WELL & PUMP

Column Pipe Removal Sheet
with Megger Readings

Job #	MD12-187
Completed by	Andy K

Project Name	Park Forest	Date	6/7/2012

Customer Information

Customer:	Village of Park Forest				
Address:	350 Victory Drive				
City:	Park Forest	ST:	IL	ZIP:	60466
Phone #	708-748-5346	Fax: #	-		
Contact	Ron Erickson	MWP Salesman		Dick Milaeger	

Pump Setting:	159

JOINT #	Length	Megger Reading	JOINT #	Length	Megger Reading	JOINT #	Length	Megger Reading
1		100 +	25			49		
2	21'		26			50		
3	21'		27			51		
4	21'		28			52		
5	21'	100 +	29			53		
6	21'		30			54		
7	21'		31			55		
8	21'		32			56		
9	21'		33			57		
10	5' SS	100+	34			58		
11			35			59		
12			36			60		
13			37			61		
14			38			62		
15			39			63		
16			40			64		
17			41			65		
18			42			66		
19			43			67		
20			44			68		
21			45			69		
22			46			70		
23			47			71		
24			48			72		

Check Valve location is donoted by " * "

Form Revision: 02-29-12

Notes: No check valves in column. pipe badly pitted zinc sleeves inside and out, pipe is also coated, reuse 5' ss pipe replace 7 -8" x 21' sections with coating and zinc sleeves

PO Box 311, Waupun, WI 53963 - Office: 920-324-3400 - Toll-Free: 800-383-7412 - Fax: 920-324-3431
IL: 1206 W. North Wind Dr., Sandwich, IL 60548 - Office: 630-202-1377 - Fax: 815-570-4317
www.municipalwellandpump.com

MUNICIPAL
WELL & PUMP

Bowl Assembly Inspection Report

Job #
MD12-187

Project Name	Park Forest	Date	6/8/2012
Work Completed by	Andy K		

Bowl Information

Bowl Manufact.	Layne			Bowl Model	12 RKAH		
# of Stages	3	Thread Diameter	1-11/16"	TPI	special	Lateral	
Shaft Diameter	1 11/16	Shaft Length	60 1/2"	Discharge Type (NPT or Butt)	NPT	Stick Up	
Suction (inches)	n/a	Discharge Size (inch)	8"	Impeller Number of Vanes			8

Shaft Tolerance	Bearing Inside Diameter	Difference
Discharge Case	1.698	
1st Stage	1.697	0.010
2nd Stage	1.697	0.010
3rd Stage		-
4th Stage		-
5th Stage		-
6th Stage		-
7th Stage		-
8th Stage		-
9th Stage		-
10th Stage		-
11th Stage		-
12th Stage		-
Suction Nozzle	1.697	
Stuffing Box		

Impeller Skirt Outside Dia.	Wear Ring Inside Dia.	Difference	Wear Ring Outside Dia.	Impeller Top Daimeter	Impeller Bottom Diameter
5.291	5.322	0.031		8.645	9.138
5.292	5.309	0.017		8.665	9.191
		-			
		-			
		-			
		-			
		-			
		-			
		-			
		-			
		-			
		-			
5.291	5.319			8.640	9.17

Distance from bottom of shaft to bottom of Impeller skirt	22 5/16
Distance from bottom of shaft to bottom of suction case	

Stuffing Box Dimensions

OD	ID	Length

Bearing Dimensions

	OD	Length
Top Case	2"	6"
Suction Case	2"	6"
Intermediate	2"	3"
Adaptor Plate	2 1/8"	4"

Directions:

- Number all bowls and impellars in sequential order as you are dissembling the pump
- Note any imperfections below, take pictures with the bowl/impellar number showing

Recommended Shaft Clearance: Minimum = .008" , Maximum = .010"
Wear Ring Clearance: Nominal = .015, Minimum = .012, Maximum = .018
Recommended Bearing & Wear Ring Press Fit: 0.003- (+0,-0.001)

Revised 1/5/2010

Comments: (example: casting, condition, mineralogical plugging, etc.)

Adaptor plate washing away needs to be replaced. Replace Bowl Shaft.

PO Box 311, Waupun, WI 53963 - Office: 920-324-3400 - Toll-Free: 800-383-7412 - Fax: 920-324-3431
IL: 1206 West North Wind Drive, Sandwich, IL 60548 - Office: 847-541-8816 - Fax: 815-570-4317
www.municipalwellandpump.com

MUNICIPAL
WELL & PUMP

Well Televising Report

Job #	MD12-187
Completed by	Dick Milaeger
Date	6/28/2012

Project Name	Park Forest

Well #
1

Customer Information

Customer:	Village of Park Forest				
Address:	350 Victory Dr				
City:	Park Forest	ST:	IL	ZIP:	60466
Phone #	708-748-5346	Fax: #	-		
Contact	Ron Erickson	MWP Salesman	Dick Milaeger		

Work Completed By:	

Well Information

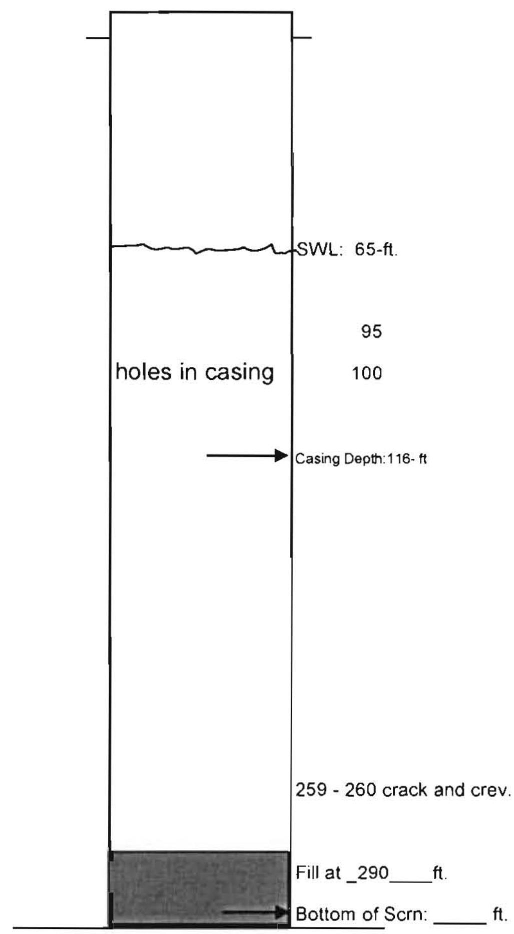
Casing Size	16	Liner Size	
Original Depth	300	Current Depth	
Type of Hole	Cable Tool		
SWL		Drive Type	

Results

Recommendations

Form Revision: 02-29-12

Well Diagram

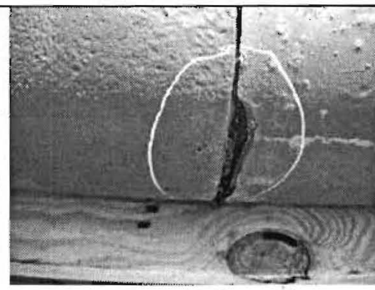


Project Photos

MUNICIPAL
WELL & PUMP

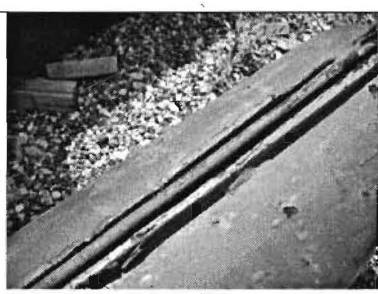
Project Name	Village of Park Forest	Well #	1
MPW Job #	MD12-187	Report Completed by:	Dick Milaeger
Date	6-28-12	Project Information:	75HP Well Pump Inspection

1. Overall picture of 75HP motor



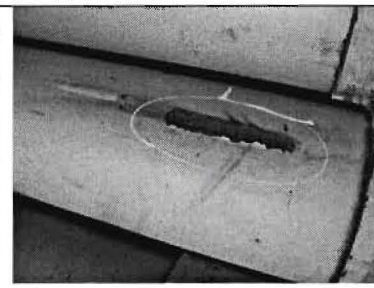
2. Deterioration of Motor oil reservoir

3. Deep pit in motor housing

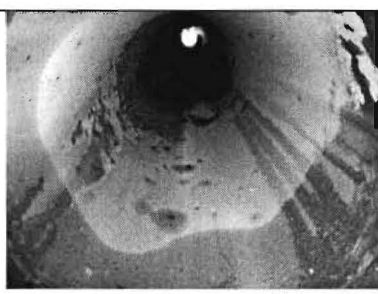


4. Deterioration of balance tube brackets

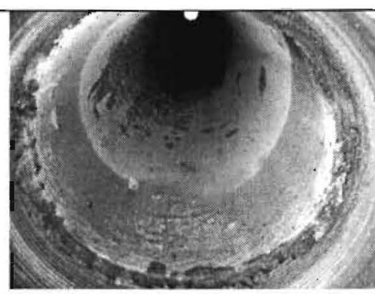
5. Overall picture of column & cable



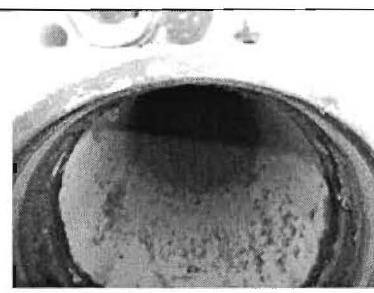
6. Corrosion on column from well casing failure



7. Interior column joint 1.



8. Interior column joint 2.



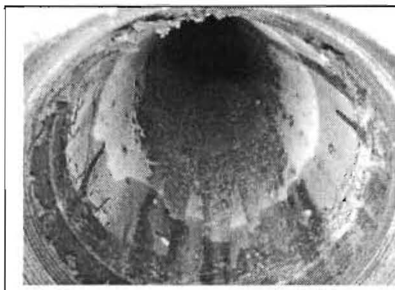
9. Interior column joint 3.

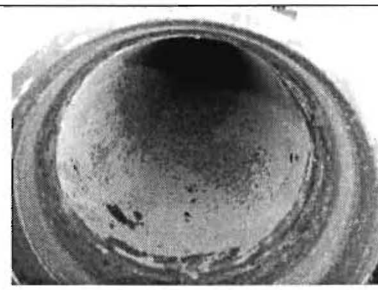
Municipal Well & Pump - Waupun, WI / LaSalle, IL
Phone: 800-383-7412
www.municipalwellandpump.com

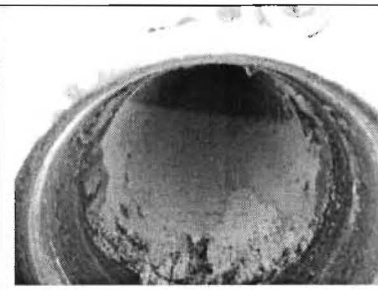
Project Photos

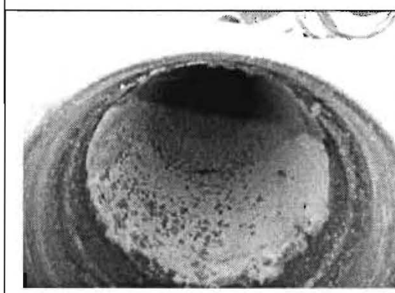
MUNICIPAL
WELL & PUMP

Project Name	Village of Park Forest			Well #	1
MPW Job #	MD12-187	Report Completed by:	Dick Milaeger		
Date	6-28-12	Project Information:	75HP Well Pump Inspection		


10. Interior column joint 4

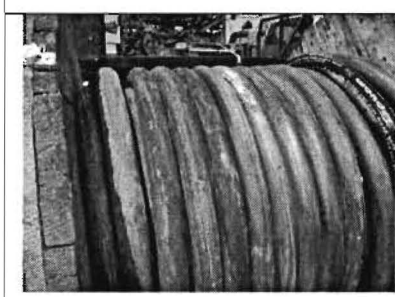

11. Interior column joint 5.

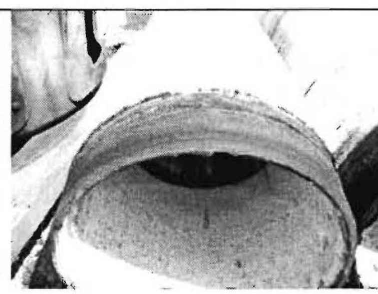

12. Interior column joint 6.

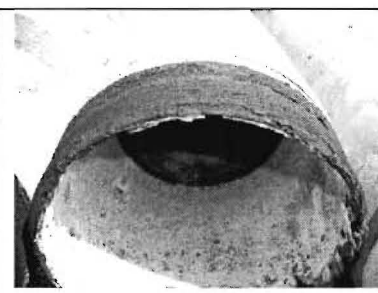

13. Interior column joint 7.


14. Bottom of Pitless spool piece


15. Stainless steel column joint.


16. Cable spool

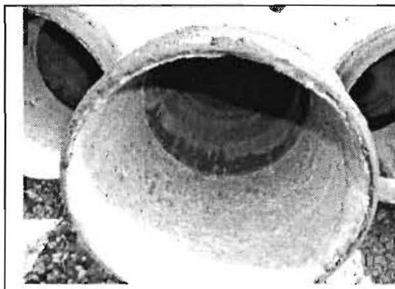

17. Threaded end joint 7.


18. Threaded end joint 6

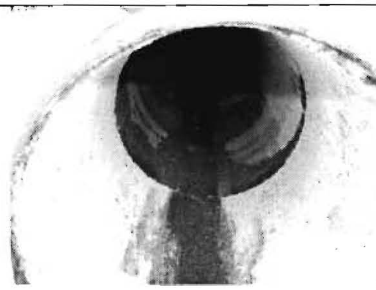
Project Photos

MUNICIPAL
WELL & PUMP

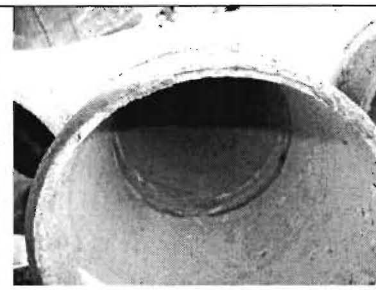
Project Name	**Village of Park Forest**	**Well #**	**1**
MPW Job #	MD12-187	Report Completed by:	Dick Milaeger
Date	6-28-12	Project Information:	75HP Well Pump Inspection



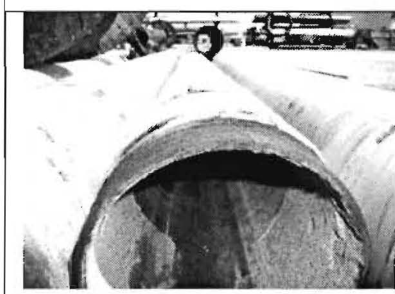
19. Threaded end joint 5



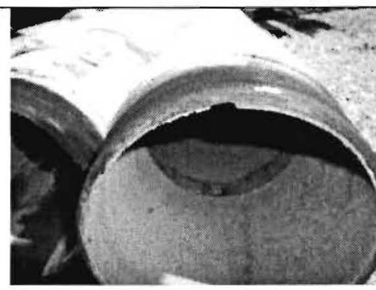
20. Threaded end joint 4.



21. Threaded end joint 3.

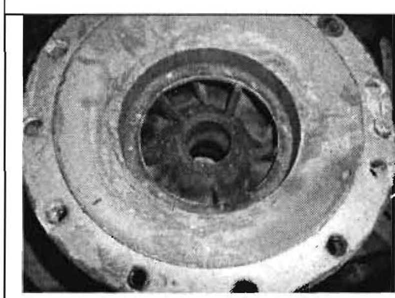


22. Threaded end joint 2

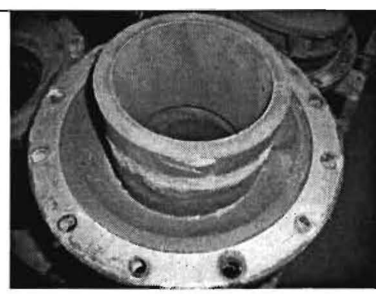


23. Threaded end joint 1

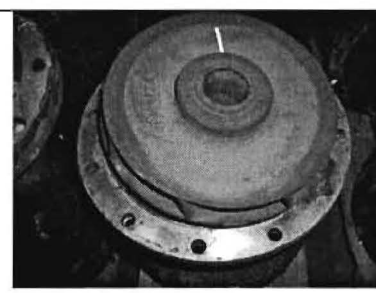
24. Threaded ends showing external zinc sleeves.



25. Top bronze bowl case



26. Top bowl case adapter

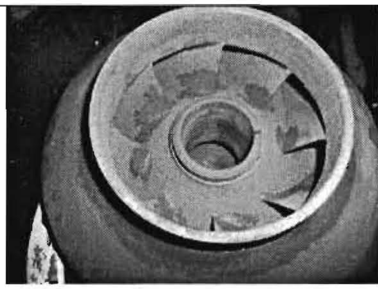


27. Top of impeller #1.

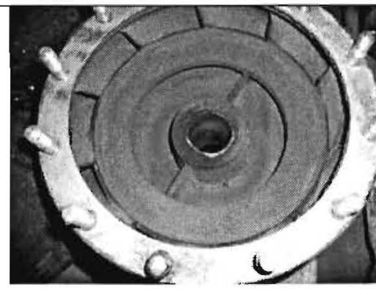
Project Photos

MUNICIPAL
WELL & PUMP

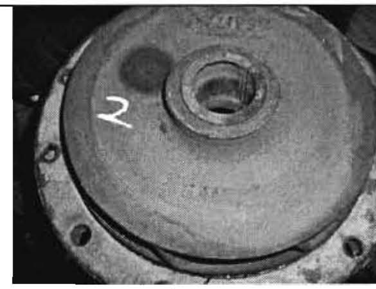
Project Name	Village of Park Forest		Well # 1
MPW Job #	MD12-187	Report Completed by:	Dick Milaeger
Date	6-28-12	Project Information:	75HP Well Pump Inspection



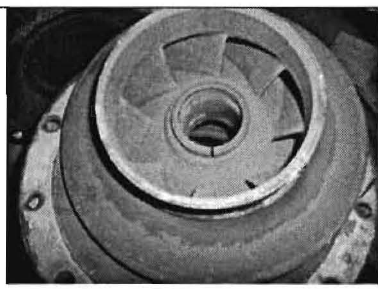
28. Bottom of impeller #1.



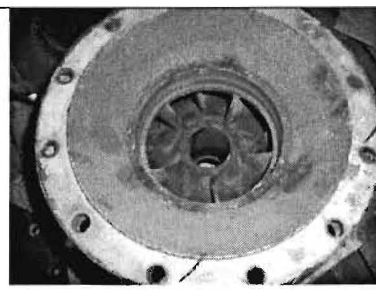
29. Bottom of series case #1.



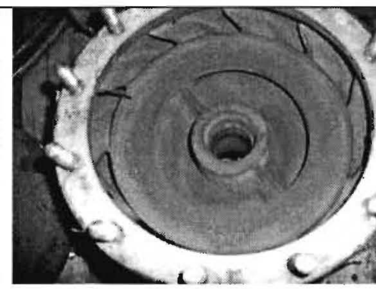
30. Top of impeller #2.



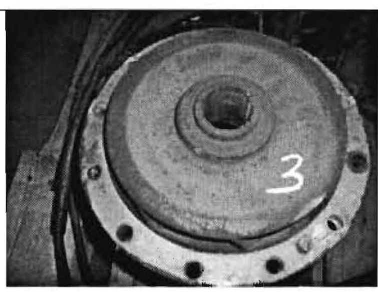
31. Bottom of impeller #2.



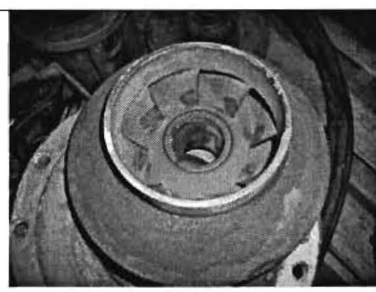
32. Top of series case #2.



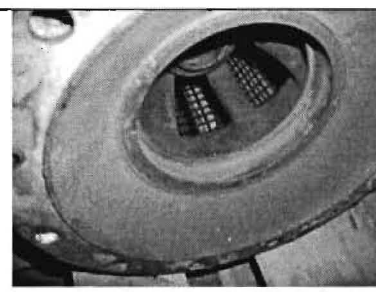
33. Bottom of series case #2.



34. Top of impeller #3.



35. Top of impeller #3.

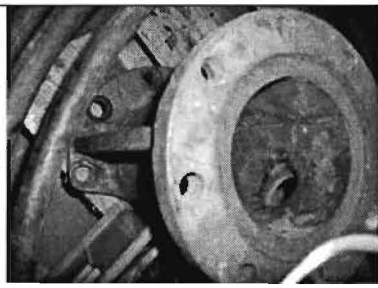


36. Top of Series case/suction case #3.

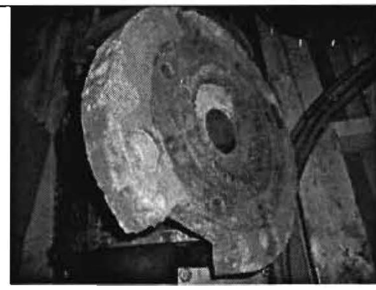
Project Photos

MUNICIPAL
WELL & PUMP

Project Name	Village of Park Forest	Well #	1
MPW Job #	MD12-187	Report Completed by:	Dick Milaeger
Date	6-28-12	Project Information:	75HP Well Pump Inspection



37. Pump adapter case.

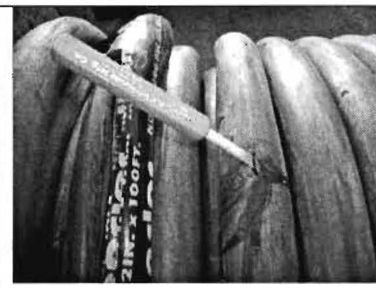


38. Pump/motor adapter plate. Needs t be replaced.

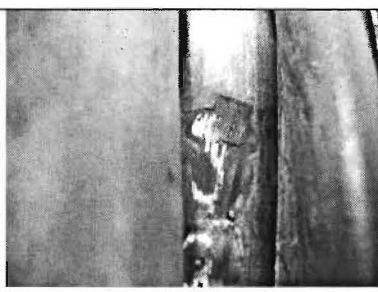
39. Bottom of pump/motor adapter case. Needs to be replaced.

40. Pump adapter case side view.

41. Bottom of pump adapter case.



42. Compromise in cable.



43. Another compromise in cable.

44.

45.

REVISIED COSTS FOLLOWING REMOVAL AND INSPECTION, AUGUST 15 ,2012
ORGINIAL BID AMOUNT IN BLACK, REVISIONS IN RED

BID TAB - WELL MAINTENANCE, WELL NO. 1
BIDS OPENED - TUESDAY, APRIL 3, 2012, 1:30 p.m.

	Original Bid Amount	REVISIED COSTS
CONTRACTOR	MIDWEST WELL SERVICES	MIDWEST WELL SERVICES
SECTION VI - LABOR & SERVICE	$21,172.00	$20,604.00
SECTION VII - REPLACEMENT PARTS	$ 8,446.00	$10,311.00
TOTAL BID AMOUNT	$29,618.00	
TOTAL ESTIMATED SUPPLEMENTAL		$27,538.75
TOTAL PROJECT COST		$58,453.75

SECTION VI - LABOR & SERVICE		MIDWEST WELL SERVICES		MIDWEST WELL SERVICES	
		Unit Price	Total Price	Unit Price	Total Price
A. Mobilization of equipment to the site, pull pump to the surface, disassemble bowls, and on site micrometer check and written report, and measure total depth and static water level of the well.	LUMP SUM		$ 5,040.00		$ 5,040.00
B. On site field inspection and service of Byron Jackson submersible motor – Labor and materials.	LUMP SUM		$ 600.00		$ 600.00
C. Hypot test the submersible cable with written report to Village.	LUMP SUM		$ 300.00		$ 300.00
D. Sandblast existing or replacement column pipe inside and out for inspection and/or reuse including transportation to designated area (include sandblast grit). EST. 152 Ft. @ $_/ft.		$ 9.00 ft.	$ 1,368.00		
ACTUAL 147 FEET				$ 9.00 ft.	$ 1,323.00

E.	Apply double epoxy protective coating to interior and exterior of replacement or existing column pipe.						
	EST. 152 Ft. @ $_/ft.	$ 9.00	ft.	$ 1,368.00			
	ACTUAL 147 FEET				$ 9.00	ft.	$ 1,323.00
F.	Cutting and rethreading ends of any salvageable column pipe.						
	EST. 6 Ends @ $_/end	$ 85.00	enc	$ 510.00			
	NONE SALVAGEABLE						$ -
G.	Drill and tap pipe couplings top and bottom for 3/8" x 5/8" stainless steel set screws.						
	EST. 7 Couplings @ $_/each.	$ 10.00	ea.	$ 70.00	#####	ea.	$ 70.00
H.	Install zinc sleeves						
	EST 13 @__/each.	$ 32.00	ea.	$ 416.00			
	ACTUAL 14				#####	ea.	$ 448.00
I.	Rebuild bowl assembly with new bronze wear rings and bushings to factory specifications and reassemble.						
	EST. 30 Hours @ $_/hour.	$ 62.00	hr.	$ 1,860.00	#####	hr.	$ 1,860.00
J.	T.V. Well Survey and furnish video tape/DVD copy to Village for record.						
	LUMP SUM			$ 2,800.00			$ 2,800.00
K.	Reinstall pump, test for minimum 2 hours, demobilization of equipment and site clean up.						
	LUMP Sum			$ 6,840.00			$ 6,840.00
	TOTAL BID LABOR & SERVICES			**$ 21,172.00**			**$ 20,604.00**

SECTION VII - REPLACEMENT PARTS	MIDWEST WELL SERVICES Unit Price	Total Price

<u>SECTION VII - REPLACEMENT PARTS</u>

A. 8", Schedule 40, T&C single random length
A-53 or API 5-L Line Pipe

	94 /ft. @ ___EA.	$ 33.00	ft.	$ 3,102.00		
	ACTUAL 147 ft				##### ft.	$ 4,851.00
B.	Stainless steel impeller shaft.		ea.	$ 530.00		$ 530.00
C.	8" Lakewood surge control valve.		ea.	$ 1,040.00		$ 1,040.00
D.	3/4" stainless steel banding w/buckles					
	One (1) 200Ft. Roll @ _/roll	$ 200.00	roll	$ 200.00		$ 200.00
E.	Stainless steel cable guard.					
	1 @ $_/each	$ 130.00	ea.	$ 130.00		$ 130.00
F.	Epoxy pipe coating.					
	Estimate 12 gallons@$_gallon	$ 78.00	gal.	$ 936.00		$ 936.00
G.	Bronze for wear rings and bowl bushings.					
	EST. 50 lbs. @ $_/lb.	$ 19.00	lb.	$ 950.00		$ 950.00
H.	1/4" plastic airline rated for 1000 psi w/gauge and fittings (est. 165 ft. tubing).					
	EST.One (1) @ $_/ea.	$ 50.00	ea.	$ 50.00		$ 50.00
I.	I.D. Zinc Sleeves					
	8 @$_/ea.	$ 116.00	ea.	$ 928.00	##### ea.	$ 812.00
	ACTUAL 7 ea					
J.	O.D. Zinc Sleeves					
	5 @$_/ea.	$ 116.00	ea	$ 580.00		
	ACTUAL 7 ea				##### ea.	$ 812.00
	TOTAL REPLACEMENT PARTS			**$ 8,446.00**		**$ 10,311.00**

SUPPLEMENTAL PRICING FOLLOWING INSPECTION

Item Pump/Motor adapter	$1,403.00
Item Sand Blast & Paint Pitless spool piece/new o-rings	$550.00
Item Motor repairs	

	Includes:		$16,150.00
	a. Disassemble & Inspect		
	b. Manufacture seal carrier & pump register		
	c. Manufacture sand slinger		
	d. Machine top end bell for new seal carrier		
	e. Two new Type 1 seals with silicon Carbide Faces and Viton rubber bellows		
	f. Stub rotor extension & mill keyway		
	g. Balance rotor		
	h. Check lower can for fit and machine as required		
	i. Re-lap driver and down thrust bearing		
	j. Replace all gaskets, O-rings, filter		
	k. Reassemble		
	l. White mineral oil		
	m. No-Load test run		
	n. Paint w/two part epoxy		
	o. Machine oil reservoir o-ring fit		
	p. Motor rewind		
	q. Surge & Hy-pot stator winding		
	r. Re-lap driver and down thrust bearing		
Item	Motor Freight, round trip, est.		$1,200.00
Item	Reconditioned motor oil reservoir		$1,350.00
Item	New 75HP motor pigtail		$2,470.00
Item	New submersible cable, 4/0 , 155-feet at $24.65/ft.	155-feet at	$3,820.75
Item	Cable Guard to cover casing compromise		$595.00
	Total Estimated Supplemental		$27,538.75

	SECTION VIII - ALTERNATE ITEMS	**MIDWEST WELL SERVICES** Unit Price	**Total Price**	
A.	Additional test pumping	$ 345.00 hr.		N/A
B.	Bailing Well	$ 345.00 hr.		N/A
C.	Replacement 8" API line pipe couplings with API monogram	$ 215.00 ea.		N/A
	TOTAL ALTERNATE ITEMS		**$ 905.00**	**N/A**

AGENDA BRIEFING

DATE: September 5, 2012

TO: Mayor John Ostenburg
Board of Trustees

FROM: Mary G. Dankowski, Deputy Village Manager/Finance Director

RE: Tenant Allowance for Sapphire Room LLC

BACKGROUND/DISCUSSION: The Village has been approached by Edward Hiller and his two partners, Dan McInerney and John Janic, to open a restaurant and billiard parlor with associated retail space in the DownTown. He has operated a similar space in Alsip and is currently operating a like business in Orland Park. He has requested a lease for 9,435 square feet of space and a rent structure has been negotiated. The spaces included in this lease are 300 Victory Drive (8,281 sq. ft.) and 331 Founders Way (1,154 sq. ft.) for the restaurant and billiard parlor.

It is Mr. Hiller's desire to build a full kitchen in 331 Founders Way to service the restaurant in 300 Victory. He anticipates the entire cost of build out for these two spaces to be in excess of $1,000,000.

He is requesting assistance with the cost to build additional separate male restrooms, demolition needed and installation of the hood and Ansell system in the kitchen for a total request of $85,000. A tenant allowance allows work to be completed expeditiously. This tenant allowance would be paid in increments initially and as the work is completed. In the past the Village has directly contracted for build out work and not provided a tenant allowance.

Based upon prior costs of build out the Village has incurred, this request is not out of line. Mr. McInerney has signed a 8 year lease with two 5-year options. The lease included a personal guaranty by both John Janic and Dan McInerney. The lease has been reviewed and amended by the Village Attorney, Paul Stephanides.

The 8 year lease with two 5-year options will produce the following total returns:

8-year lease	-	$ 500,055.00
Two 5-year options	-	844,531.25
Total Lease Revenue	-	$1,384,586.25

Staff is requesting Board approval for $85,000 in tenant allowance for DownTown spaces 300 Victory Drive and 331 Founders Way.

SCHEDULE FOR CONSIDERATION: This matter will appear on the Agenda of the Regular Meeting of September 10, 2012 for approval.

PRO TYME
CLASSIC BILLIARDS

15605 S. 94TH. AVENUE
ORLAND PARK, IL

708.403.0600
OPEN 7 DAYS A WEEK!
SUNDAY - THURSDAY NOON-1AM
FRIDAY & SATURDAYS NOON-2AM

PRO TYME
CLASSIC BILLIARDS
15605 S. 94TH AVENUE
ORLAND PARK, IL

LEAGUES (APA,BCA,ACS)
8&9 BALL TOURNAMENTS
BAR FULL PROSHOP
FOOD WII GAME
IN HOUSE LEAGUES DARTS
CUSTOM POOL TABLES AND CUES SOLD! AVAILABLE FOR PRIVATE PARTIES
ALSO JOIN US @ PLAYERS CHOICE NIGHTCLUB AND BILLIARDS AND 5918 INC. BISTRO
LOCATED 11921 S. CICERO IN ALSIP IL 708.389.6300

VC GRAPHICS 312.731.35485

AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor John Ostenburg
Board of Trustees

FROM: Mary G. Dankowski, Deputy Village Manager/Finance Director

RE: Engagement letter for Bond Underwriter Robert W. Baird & Co. (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012B for $2,635,000 refunding Series 2001).

BACKGROUND/DISCUSSION: The Village has worked with Robert W. Baird & Co. on prior bond issuances. Staff has found their expertise and accountability exemplary. Robert W. Baird is the number one underwriter in the Midwest, underwriting the greatest number of bond deals. This firm was recently featured in Bond Buyer magazine. They have monitored the Village debt and were instrumental in noting savings to the Village. Attached to the engagement letter are required disclosures.

Underwriting cost of approximately $33,760 which is calculated at .80% of the total issuance of $4,220,000 is included in the bond pricing and factored into the overall cost savings.

Staff recommends approval of the engagement letter with Robert W. Baird & Co.

SCHEDULE FOR CONSIDERATION: This matter will appear on the Agenda of the Regular Meeting of September 10, 2012 for approval.

Thomas J. Gavin
Managing Director
Public Finance

July 10, 2012

Ms. Mary Dankowski
Finance Director/Treasurer
Village of Park Forest
350 Victory Drive
Park Forest, IL 60466

Dear Ms. Dankowski,

On behalf of Robert W. Baird & Co. Incorporated ("we" or "Baird"), we wish to thank you for the opportunity to serve as underwriter on the Village of Park Forest ("you" or the "Village") proposed offering and issuance of General Obligation Refunding Bonds, Series 2012A and General Obligation Refunding Bonds, Series 2012B (the "Bonds"). This letter will confirm the terms of our engagement.

1. Services to be provided by Baird. Baird will serve as underwriter of the proposed offering and issuance of the Bonds and in such capacity Baird agrees to provide the following services:

   - Review and evaluate the proposed terms of the offering and the Bonds
   - Develop a marketing plan for the offering, including identification of potential investors
   - Assist in the preparation of the official statement and other offering documents
   - Contact potential investors, provide them with offering-related information, respond to their inquiries and, if requested, coordinate their due diligence sessions
   - Assist in preparing materials to be provided to the rating agencies and in developing strategies for meetings with the ratings agencies
   - Consult with counsel and other service providers about the offering and the terms of the Bonds
   - Inform the Village of the marketing and offering process
   - Negotiate the pricing, including the interest rate, and other terms of the Bonds
   - Obtain CUSIP number(s) for the Bonds and arrange for their DTC book-entry eligibility
   - Plan and arrange for the closing and settlement of the issuance and the delivery of the Bonds
   - Such other usual and customary underwriting services as may be requested by the Village

Robert W. Baird & Co. Incorporated
300 East Fifth Avenue, Suite 200
Naperville, IL 60563-3181
Main (630) 778-9100
Toll-free (800) 686-4346
Fax (630) 848-6450

BAIRD

In addition, at the Village's request, Baird may provide incidental financial advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Bonds. The following statements are required by MSRB Rule G-23: Please note that Baird would be providing such advisory services in its capacity as underwriter and not as a financial advisor to the Village. As underwriter, Baird's primary role is to purchase, or arrange for the placement of, the Bonds in an arm's length commercial transaction between the Village and Baird. Baird has financial and other interests that differ from those of the Village.

As underwriter, Baird will not be required to purchase the Bonds except pursuant to the terms of the Bond Purchase Agreement, which will not be signed until successful completion of the pre-sale offering period. This letter does not obligate Baird to purchase any of the Bonds.

2. Fees and Expenses. Baird's proposed underwriting fee/spread is 0.80% of the public offering price of the Bonds issued. The underwriting fee/spread will represent the difference between the price that Baird pays for the Bonds and the public offering price stated on the cover of the final official statement. The Village shall be responsible for paying or reimbursing Baird for all other costs of issuance, including without limitation, bond counsel, underwriter's counsel (if any) and ratings agency fees and expenses, and all other expenses incident to the performance of the Village's obligations under the proposed offering.

3. Term and Termination. Our engagement with the Village shall extend from the date of this letter to the closing of the offering of the Bonds. Notwithstanding the forgoing, either party may terminate Baird's engagement at any time without liability of penalty upon at least 30 days' prior written notice to the other party. If Baird's engagement is terminated by the Village, the Village agrees to reimburse Baird for its out-of-pocket expenses incurred until the date of termination.

Again, we thank you for the opportunity to assist you with your proposed financing and the confidence you have placed in us.

Very truly yours,

Thomas J. Gavin
Managing Director

August 17, 2012

Village of Park Forest, Illinois
Ms. Mary Dankowski, Deputy Village Manager / Treasurer
350 Victory Drive
Park Forest, IL 60466

Re: Disclosures by Underwriter/Senior Managing Underwriter
Pursuant to MSRB Rule G-17
General Obligation Refunding Bonds, Series 2012A and 2012B ("Securities")

Dear Ms. Dankowski:

On behalf of Robert W. Baird & Co. Incorporated, we wish to provide you (the "Issuer") with certain disclosures relating to the Securities, as required by Municipal Securities Rulemaking Board ("MSRB") Rule G-17 as set forth in MSRB Notice 2012-25.

I. **Services to be Provided by Baird**. Baird has been engaged to serve as managing underwriter, and not as a financial advisor or municipal advisor, in connection with the proposed offering and issuance of the Securities. Baird may provide incidental financial advisory services, including advice as to the structure, timing, terms and other matters concerning the issuance of the Securities. Please note that Baird would be providing such advisory services in its capacity as underwriter and not as a financial advisor to the Issuer.

II. **Disclosures Concerning Baird's Role as Underwriter**.

Municipal Securities Rulemaking Board Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.

As underwriter, Baird's primary role is to purchase, or arrange for the placement of, the Securities in an arm's length commercial transaction between the Issuer and Baird. Baird has financial and other interests that differ from those of the Issuer.

Unlike a municipal advisor, Baird as an underwriter does not have a fiduciary duty to the Issuer under the federal securities law and is therefore not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.

Baird as underwriter has a duty to purchase securities from the Issuer at a fair and reasonable price but must balance that duty with its duty to sell those securities to investors at prices that are fair and reasonable.

Baird as underwriter will review the official statement applicable to the proposed offering in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the proposed offering.

III. **Disclosures Concerning Baird's Compensation**. Baird will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Securities. Payment or receipt of the underwriting fee or discount will be contingent on the closing and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal or par amount of the Securities. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because it may cause the underwriter to recommend an offering that is unnecessary or to recommend the size of the proposed offering be larger than is necessary. Other firms that provide services in connection with the proposed offering may also have fees that are contingent on the closing of the offering.

IV. **Additional Conflicts Disclosures**. Baird is a full service securities firm and as such Baird and its affiliates may from time to time provide advisory, brokerage, consulting and other services and products to municipalities, other institutions, and individuals, including the Issuer, certain Issuer officials or employees, and potential purchasers of the Securities for which Baird may receive customary compensation; however, such services

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Main 630 778-9100
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www.rwbaird.com

are not related to the proposed offering. Baird has previously served as underwriter on other bond offerings and financings for the Issuer and expects to serve in such capacities in the future. Baird, through its Baird Public Investment Advisors unit, may also be engaged from time to time by the Issuer to manage investments for the Issuer (including the proceeds from the proposed offering) through a separate contract that sets forth the fees to be paid to Baird.

In the ordinary course of fixed income trading business, Baird may purchase, sell, or hold a broad array of investments and may actively trade securities and other financial instruments, including the Securities and other municipal bonds, for its own account and for the accounts of customers, with respect to which Baird may receive a mark-up or mark-down. Such investment and trading activities may involve or relate to the offering or other assets, securities and/or instruments of the Issuer and/or persons and entities with relationships with the Issuer. Spouses and other family members of Baird associates may be employed by the Issuer.

Baird has not identified any additional potential or actual material conflicts that require disclosure. If potential or actual conflicts arise in the future, we will provide you with supplemental disclosures about them.

V. **Disclosures of Material Financial Characteristics and Material Financial Risks**

Accompanying this letter is a disclosure document describing the material financial characteristics and material financial risks of the Securities as required by MSRB Rule G-17.

If there is any aspect of the foregoing disclosures that requires further clarification, please do not hesitate to contact us. In addition, please consult your own financial and/or municipal, legal, accounting, tax and other advisors as you deem appropriate. We understand that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the proposed offering. If the foregoing is consistent with your understanding, please send me an email at tgavin@rwbaird.com to acknowledge your receipt of this letter.

Very truly yours,

ROBERT W. BAIRD & CO. INCORPORATED

By:____________________________________

Managing Director

Disclosures of Material Financial Characteristics and Financial Risks of Proposed Offering of Fixed Rate Bonds

Robert W. Baird & Co. Incorporated ("Baird") has been engaged as underwriter for the proposed offering by you (or the "Issuer") of fixed rate bonds, notes or other debt securities ("Fixed Rate Bonds"), to be sold on a negotiated basis. The following is a general description of the financial characteristics and security structures of Fixed Rate Bonds, as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

This document is being provided to an official of the Issuer who has the authority to bind the Issuer by contract with Baird, who does not have a conflict of interest with respect to the offering.

If the Fixed Rate Bonds proposed to be issued are "conduit revenue bonds," you will be a party to the bond purchase agreement and certain other legal documents to be entered into in connection with the issuance, but the material financial risks described below will be borne by the borrower or obligor, as set forth in those legal documents.

Financial Characteristics

Maturity and Interest. Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies or authorities, such as the Issuer. Maturity dates for Fixed Rate Bonds will be fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity) or one or more term maturities (specified principal amounts are payable on each term maturity date) or a combination of serial and term maturities. Maturity dates, including the final maturity date, are subject to negotiation and will be reflected in the official statement. At each maturity, the scheduled principal or par amount of the Fixed Rate Bonds will have to be repaid.

Fixed Rate Bonds will pay fixed rates of interest typically semi-annually on scheduled payment dates, although some Fixed Rate Bonds may accrue interest to be paid at maturity. Such bonds are often referred to as capital appreciation or zero-coupon bonds. The interest rates to be paid on Fixed Rate Bonds may differ for each series or maturity date. The specific interest rates will be determined based on market conditions and investor demand and reflected in the official statement for the Fixed Rate Bonds. Fixed Rate Bonds with longer maturity dates will generally have interest rates that are greater than securities with shorter maturity dates.

Redemption. Fixed Rate Bonds may be subject to optional redemption, which allows the Issuer, at its option, to redeem some or all of the Fixed Rate Bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. Fixed Rate Bonds may be subject to optional redemption only after the passage of a specified period of time from the date of issuance, and upon payment of the redemption price set forth in the official statement for the Fixed Rate Bonds, which typically is equal to the par amount of the Fixed Rate Bonds being redeemed (plus accrued interest) but may include a redemption premium. The Issuer will be required to send out a notice of optional redemption to the holders of Fixed Rate Bonds, usually a certain period of time prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires the Issuer to redeem specified principal amounts of the Fixed Rate Bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the Fixed Rate Bonds to be redeemed. Fixed Rate Bonds may also be subject to extraordinary or mandatory redemption upon the occurrence of certain events, authorizing or requiring you to redeem the Fixed Income Bonds at their par amount (plus accrued interest).

Credit Enhancements. Fixed Rate Bonds may feature credit enhancements, such as an insurance policy provided by a municipal bond insurance company that guarantees the payment of principal of an interest on the bonds when due in the event of default. Other credit enhancements could include a letter of credit provided by a financial institution, or financial support from a state agency.

Tax Status. If Fixed Rate Bonds are intended to be tax-exempt, counsel will provide an opinion that interest on the Fixed Rate Bonds will be excluded from gross income for federal income tax purposes. Certain Fixed Rate Bonds may also be exempt from state personal income tax.

Some Fixed Rate Bonds (or a portion of those being issued) may be taxable, meaning that interest on the Fixed Rate Bonds will be included in gross income for federal income tax purposes.

Security

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below. The security for Fixed Rate Bonds will vary, depending on whether they are general obligation bonds, revenue bonds, conduit bonds or other types.

General Obligation Bonds

"General obligation bonds" are debt securities to which your full faith and credit is pledged to pay principal and interest. If you have taxing power, generally you will pledge to use your ad valorem (property) taxing power to pay principal and interest. Ad valorem taxes necessary to pay debt service on general obligation bonds may not be subject to state constitutional property tax millage limits (an unlimited tax general obligation bond). The term "limited" tax is used when such limits exist. General obligation bonds constitute a debt and, depending on applicable state law, may require that you obtain approval by voters prior to issuance. In the event of default in required payments of interest or principal, the holders of general obligation bonds have certain rights under state law to compel you to impose a tax levy.

Revenue Bonds

"Revenue bonds" are debt securities that are payable only from a specific source or sources of revenues that are generated from a particular enterprise or service you offer, such as water, electricity, sewer, health care, housing, transportation, toll roads and bridges, parking, parks and recreation fees, and stadiums and entertainment facilities. Revenue bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants, license or user fees, or excise or other specified taxes. Generally, subject to state law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors. Some revenue bonds may be backed by your full faith and credit or moral obligation. A moral obligation is a non-binding covenant by you to make a budget recommendation to your legislative body to appropriate moneys needed to make up any revenue shortfall in order to meet debt service obligations on the revenue bonds, but the legislative body is not legally obligated to make such appropriation.

Tax Increment or Tax Allocation Bonds
"Tax increment" or "tax allocation" bonds are a form of revenue bonds that are payable from the incremental increase in taxes realized from any appreciation in property values resulting from capital improvements benefitting the properties located in a particular location such as a tax incremental district. They are commonly used to redevelop, add infrastructure or otherwise improve a blighted, neglected or under-utilized area to encourage development in that area. Tax increment bonds may also be payable from increased sales taxes generated in a designated district. The proceeds of an issuance of tax increment or tax allocation bonds are typically applied to pay the costs of infrastructure and other capital improvements in the designated district. The incremental taxes or other revenues may not be sufficient to meet debt service obligations on the tax increment or tax allocation bonds. Some tax increment or tax allocation bonds may also be backed by an issuer's full faith and credit or moral obligation.

Conduit Bonds
Conduit revenue bonds may be issued by a governmental issuer acting as conduit for the benefit of a private sector entity or a 501(c)(3) organization (the "borrower" or "obligor"). Industrial revenue bonds are a form of conduit revenue bonds. Conduit revenue bonds commonly are issued for not-for-profit hospitals, health care facilities, educational institutions, single and multi-family housing, airports, industrial or economic development projects, corporations, and student loan programs, among other borrowers or obligors. Principal and interest on conduit revenue bonds normally are paid exclusively from revenues pledged by the borrower or obligor. Unless otherwise specified under the terms of the bonds, you are not required to make payments of principal or interest if the borrower or obligor defaults.

Charter School Bonds
Fixed Rate Bonds issued for the benefit of charter schools are a form of conduit revenue bonds. They are issued by a government entity acting as a conduct for the benefit of a charter school. The charter school is the borrower or obligor for the bonds. Principal and interest on charter school bonds normally are paid exclusively from revenues pledged by the charter school. Unless otherwise specified under the terms of the bonds, you are not required to make payments or principal or interest if the charter school defaults.

Financial and Other Covenants
Issuers of Fixed Rate Bonds (and/or obligors) may be required to agree to certain financial and

other covenants (such as debt service coverage ratios) that are designed to protect bond holders. Covenants are a form of additional security. The failure to continue to meet covenants may trigger an event of default or other adverse consequences to you and/or the obligor giving bond holders certain rights and remedies.

The description above regarding "Security" is only a brief summary of certain possible security provisions for the Fixed Rate Bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the Bonds.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following (generally, the borrower or obligor, rather than you, will bear these risks for conduit revenue bonds):

Issuer Default Risk

You (or the obligor) may be in default if the funds pledged to secure Fixed Rate Bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you (and/or the obligor) and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds may be able to exercise a range of available remedies against you (or the obligor). For example, if Fixed Rate Bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the Fixed Rate Bonds are revenue bonds, you (or the obligor) may be required to take steps to increase the available revenues that are pledged as security for the bonds. A default may negatively impact your (or the obligor's) credit ratings and may effectively limit your (or the obligor's) ability to publicly offer bonds or other securities at market interest rate levels. Further, if you (or the obligor) are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you (or the obligor) may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you (or the obligor) are unable to comply with covenants or other provisions agreed to in connection with the issuance of the Fixed Rate Bonds.

This description is only a brief summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

Redemption Risk

Your (or the obligor's) ability to redeem Fixed Rate Bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you (or the obligor) may be unable to take advantage of the lower interest rates to reduce debt service. In addition, if Fixed Rate Bonds are subject to extraordinary or mandatory redemption, you (or the obligor) may be required to redeem the bonds at times that are disadvantageous.

Refinancing Risk

If your (or the obligor's) financing plan contemplates refinancing some or all of the Fixed Rate Bonds at maturity (for example, if there are term maturities or if a shorter final maturity is chosen than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you (or the obligor) from refinancing those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict your (or the obligor's) ability to refund the Fixed Rate Bonds to take advantage of lower interest rates.

Reinvestment Risk
You (or the obligor) may have proceeds of the Fixed Rate Bonds to invest prior to the time that you (or the obligor) are able to spend those proceeds for the authorized purpose. Depending on market conditions, you (or the obligor) may not be able to invest those proceeds at or near the rate of interest that you (or the obligor) are paying on the bonds, which is referred to as "negative arbitrage".

Tax Compliance Risk (applicable if the Fixed Rate Bonds are tax-exempt bonds)
The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS), and, if applicable, state tax laws. You (and the obligor) must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You (and the obligor) also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of the representations or a failure to comply with certain tax-related covenants may cause the interest on the Fixed Rate Bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you (or the obligor) pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you (or the obligor) or the Fixed Rate Bonds or your (or the obligor's) other bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the Fixed Rate Bonds are declared taxable, or if you (or the obligor) are subject to audit, the market price of the Fixed Rate Bonds and/or your (or the obligor's) other bonds may be adversely affected. Further, your (or the obligor's) ability to issue other tax-exempt bonds also may be limited.

Continuing Disclosure Risk.
In connection with the issuance of Fixed Rate Bonds, you (and/or the obligor) may be subject to continuing disclosures which require dissemination of annual financial and operating information and notices of material events. Compliance with these continuing disclosure requirements is important and facilitates an orderly secondary market. Failure to comply with continuing disclosure requirements may affect the liquidity and marketability of the Fixed Rate Bonds, as well as your (and/or the obligor's) other outstanding securities. Because instances of material non-compliance with previous continuing disclosure requirements must be disclosed in an official statement, failure to comply with continuing disclosure requirements may also make it more difficult or expensive for you (or the obligor) to market and sell future bonds.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing Fixed Rate Bonds.

AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor John Ostenburg
Board of Trustees

FROM: Mary G. Dankowski, Deputy Village Manager/Finance Director

RE: Engagement letter for Chapman and Cutler LLP Bond Council (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012B for $2,635,000 refunding Series 2001)

BACKGROUND/DISCUSSION: The firm of Chapman and Cutler is a premium bond counsel with expertise in the legal aspects of municipal bond issuance. The Village has utilized their services with previous issuances. Chapman and Cutler represents many other municipalities, school districts, park districts, counties, townships, special districts and units of local government both within and outside the State of Illinois. They provide expertise on compliance issues regarding the issuance of tax exempt municipal bonds. Their fees estimated at $20,000 will be incorporated into the bond issuance and are reflected in the net savings amount.

Staff recommends approval of engagement letter with Chapman and Cutler LLP.

SCHEDULE FOR CONSIDERATION: This matter will appear on the Agenda of the Regular Meeting of September 10, 2012 for approval.

Chapman and Cutler LLP
Attorneys at Law · Focused on Finance®

Lawrence E. White
Partner

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Chicago, Illinois 60603-4080

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July 27, 2012

Ms. Mary Dankowski
Village of Park Forest
350 Victory Drive
Park Forest, Illinois 60466

Re: Village of Park Forest,
Cook and Will Counties, Illinois (the *"Village"*)
Proposed General Obligation Refunding Bonds,
Series 2012A, and Series 2012B

Dear Mary:

We are pleased to provide an engagement letter for our services as bond counsel for the bonds in reference (the *"Bonds"*). For convenience and clarity, we may refer to the Village in its corporate capacity and to you, the Village officers (including the governing body of the Village) and employees and general and special counsel to the Village, collectively as *"you"* (or the possessive *"your"*). You have advised us that the purpose of the issuance of the Bonds, briefly stated, is to refund certain heretofore issued and now outstanding bonds of the Village. You are retaining us for the limited purpose of rendering our customary approving legal opinion as described in detail below.

A. DESCRIPTION OF SERVICES

As Bond Counsel, we will work with you and the following persons and firms: the underwriters or other bond purchasers who purchase the Bonds from the Village (all of whom are referred to as the *"Bond Purchasers"*), counsel for the Bond Purchasers, financial advisors, trustee, paying agent and bond registrar and their designated counsel (you and all of the foregoing persons or firms, collectively, the *"Participants"*). We intend to undertake each of the following as necessary:

1. Review relevant Illinois law, including pending legislation and other recent developments, relating to the legal status and powers of the Village or otherwise relating to the issuance of the Bonds.

2. Obtain information about the Bond transaction and the nature and use of the facilities or purposes to be financed (the *"Project"*) or, for any portion of the Bonds to be issued

for refunding purposes, the facilities or purposes financed with the proceeds of the bonds to be refunded (the *"Prior Project"*).

3. Review the proposed timetable and consult with the Participants as to the issuance of the Bonds in accordance with the timetable.

4. Consider the issues arising under the Internal Revenue Code of 1986, as amended, and applicable tax regulations and other sources of law relating to the issuance of the Bonds on a tax-exempt basis; these issues include, without limitation, ownership and use of the Project or Prior Project, use and investment of Bond proceeds prior to expenditure, and security provisions or credit enhancement relating to the Bonds.

5. Prepare or review major Bond documents, including tax compliance certificates, review the bond purchase agreement, if applicable, and, at your request, draft descriptions of the documents which we have drafted. We understand that the Bonds are presently expected to be sold at negotiated sale and that the Bond Purchasers will undertake independently to perform their due diligence investigation with respect to the Bonds. As Bond Counsel, we assist you in reviewing only those portions of the official statement or any other disclosure document to be disseminated in connection with the sale of the Bonds involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax exemption of interest on the Bonds and, if applicable, the "bank-qualified" status of the Bonds.

6. Prepare or review all pertinent proceedings to be considered by the governing body of the Village; confirm that the necessary quorum, meeting and notice requirements are contained in the proceedings and draft pertinent excerpts of minutes of the meetings relating to the financing.

7. Attend or host such drafting sessions and other conferences as may be necessary, including a preclosing, if needed, and closing; and prepare and coordinate the distribution and execution of closing documents and certificates, opinions and document transcripts.

8. Render our legal opinion regarding the validity of the Bonds, the source of payment for the Bonds and the federal income tax treatment of interest on the Bonds, which opinion (the *"Bond Opinion"*) will be delivered in written form on the date the Bonds are exchanged for their purchase price (the *"Closing"*). The Bond Opinion will be based on facts and law existing as of its date. Please see the discussion below at Part D. Please note that our opinion represents our legal judgment based upon our review of the law and the facts so supplied to us that we deem relevant and is not a guarantee of a result.

B. LIMITATIONS; SERVICES WE DO NOT PROVIDE

Our duties as Bond Counsel are limited as stated above. Consequently, unless otherwise agreed pursuant to a separate engagement letter, our duties *do not* include:

1. Giving any advice, opinion or representation as to the financial feasibility or the fiscal prudence of issuing the Bonds, advice estimating or comparing the relative cost to maturity of the Bonds depending on various interest rate assumptions, or advice recommending a particular structure as being financially advantageous under prevailing market conditions, or financial advice as to any other aspect of the Bond transaction, including, without limitation, the undertaking of the Project, the investment of Bond proceeds, the making of any investigation of or the expression of any view as to the creditworthiness of the Village, of the Project or Prior Project or of the Bonds or the form, content, adequacy or correctness of the financial statements of the Village. We will not offer you financial advice in any capacity beyond that constituting services of a traditionally legal nature.

2. Except as described in Paragraph (A)(5) above, assisting in the preparation or review of an official statement or any other disclosure document with respect to the Bonds (which may be referred to as the *"Official Statement"*) or performing an independent investigation to determine the accuracy, completeness or sufficiency of the Official Statement or rendering any advice, view or comfort that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. Please see our comments below at Paragraphs (D)(5) and (D)(6).

3. Independently establishing the veracity of certifications and representations of you or the other Participants. For example, we will not review the data available on the Electronic Municipal Market Access system website created by the Municipal Securities Rulemaking Board (and commonly known as "EMMA") to verify the information relating to the Bonds to be provided by the Bond Purchasers, and we will not undertake a review of your website to establish that information contained corresponds to that which you provide independently in your certificates or other transaction documents.

4. Supervising any state, county or local filing of any proceedings held by the governing body of the Village incidental to the Bonds.

5. Preparing any of the following — requests for tax rulings from the Internal Revenue Service (the *"Service"*), blue sky or investment surveys with respect to the Bonds, state legislative amendments or pursuing test cases or other litigation.

6. Opining on securities laws compliance or as to the continuing disclosure undertaking pertaining to the Bonds; and, after the execution and delivery of the Bonds, providing advice as to any Securities and Exchange Commission investigations or concerning any actions necessary to assure compliance with any continuing disclosure undertaking.

7. After Closing, providing continuing advice to the Village or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be tax-exempt; *e.g.*, we will not undertake rebate calculations for the Bonds without a separate engagement for that purpose, we will not monitor the investment, use or expenditure of Bond proceeds or the use of the Project or Prior Project, and we are not retained to respond to Service audits.

8. Any other matter not specifically set forth above in Part A.

C. ATTORNEY-CLIENT RELATIONSHIP; REPRESENTATION OF OTHERS

Upon execution of this engagement letter, the Village will be our client, and an attorney-client relationship will exist between us. However, our services as Bond Counsel are limited as set forth in this engagement letter, and your execution of this engagement letter will constitute an acknowledgment of those limitations. Also please note that the attorney-client privilege, normally applicable under State law, may be diminished or non-existent for written advice delivered with respect to Federal tax law matters.

This engagement letter will also serve to give you express written notice that from time to time we represent in a variety of capacities and consult with most underwriters, investment bankers, credit enhancers such as bond insurers or issuers of letters of credit, ratings agencies, investment providers, brokers of financial products, financial advisors, banks and other financial institutions and other persons who participate in the public finance market on a wide range of issues. We may represent the Bond Purchasers in other matters not related to the Bond transaction. Prior to execution of this engagement letter we may have consulted with one or more of such firms regarding the Bonds including, specifically, the Bond Purchasers. We are advising you, and you understand that the Village consents to our representation of it in this matter, notwithstanding such consultations, and even though parties whose interests are or may be adverse to the Village in this transaction are clients in other unrelated matters. Your acceptance of our services constitutes consent to these other engagements. Neither our representation of the Village nor such additional relationships or prior consultations will affect, however, our responsibility to render an objective Bond Opinion.

Your consent does not extend to any conflict that is not subject to waiver under applicable Rules of Professional Conduct (including Circular 230 discussed below), or to any matter that involves the assertion of a claim against the Village or the defense of a claim asserted by the Village. In addition, we agree that we will not use any confidential non-public information received from you in connection with this engagement to your material disadvantage in any matter in which we would be adverse to you.

Further, this engagement letter will also serve to give you express notice that we represent many other municipalities, school districts, park districts, counties, townships, special districts and units of local government both within and outside of the State of Illinois and also the State itself and various of its agencies and authorities (collectively, the *"governmental units"*). Most but not all of these representations involve bond or other borrowing transactions. We have assumed that there are no controversies pending to which the Village is a party and is taking any position which is adverse to any other governmental unit, and you agree to advise us promptly if this assumption is incorrect. In such event, we will advise you if the other governmental unit is our client and, if so, determine what actions are appropriate. Such actions could include seeking waivers from both the Village and such other governmental unit or withdrawal from representation.

We anticipate that the Village will have its general or special counsel available as needed to provide advocacy in the Bond transaction and has had the opportunity to consult with such counsel concerning the conflict consents and other provisions of this letter; and other Participants will retain such counsel as they deem necessary and appropriate to represent their interests.

D. OTHER TERMS OF THE ENGAGEMENT; CERTAIN OF YOUR UNDERTAKINGS

Please note our understanding with respect to this engagement and your role in connection with the issuance of the Bonds.

1. In rendering the Bond Opinion and in performing any other services hereunder, we will rely upon the certified proceedings and other certifications you and other persons furnish us. Other than as we may determine as appropriate to rendering the Bond Opinion, we are not engaged and will not provide services intended to verify the truth or accuracy of these proceedings or certifications. We do not ordinarily attend meetings of the governing body of the Village at which proceedings related to the Bonds are discussed or passed unless special circumstances require our attendance.

2. The factual representations contained in those documents which are prepared by us, and the factual representations which may also be contained in any other documents that are furnished to us by you are essential for and provide the basis for our conclusions that there is compliance with State law requirements for the issue and sale of valid bonds and with the Federal tax law for the tax exemption of interest paid on the Bonds. Accordingly, it is important for you to read and understand the documents we provide to you because you will be confirming

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the truth, accuracy and completeness of matters contained in those documents at the issuance of the Bonds.

3. If the documents contain incorrect or incomplete factual statements, you must call those to our attention. We are always happy to discuss the content or meaning of the transaction documents with you. Any untruth, inaccuracy or incompleteness may have adverse consequences affecting either the tax exemption of interest paid on the Bonds or the adequacy of disclosures made in the Official Statement under the State and Federal securities laws, with resulting potential liability for you. During the course of this engagement, we will further assume and rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will cooperate with us in this regard.

4. You should carefully review all of the representations you are making in the transaction documents. We are available and encourage you to consult with us for explanations as to what is intended in these documents. To the extent that the facts and representations stated in the documents we provide to you appear reasonable to us, and are not corrected by you, we are then relying upon your signed certifications for their truth, accuracy and completeness.

5. Issuing the Bonds as "securities" under State and Federal securities laws and on a tax-exempt basis is a serious undertaking. As the issuer of the Bonds, the Village is obligated under the State and Federal securities laws and the Federal tax laws to disclose all material facts. The Village's lawyers, financial advisers and bankers can assist the Village in fulfilling these duties, but the Village in its corporate capacity, including your knowledge, has the collective knowledge of the facts pertinent to the transaction and the ultimate responsibility for the presentation and disclosure of the relevant information. Further, there are complicated Federal tax rules applicable to tax-exempt bonds. The Service has an active program to audit such transactions. The documents we prepare are designed so that the Bonds will comply with the applicable rules, but this means you must fully understand the documents, including the representations and the covenants relating to continuing compliance with the federal tax requirements. Accordingly, we want you to ask questions about anything in the documents that is unclear.

6. As noted, the members of the governing body of the Village also have duties under the State and Federal securities and tax laws with respect to these matters and should be knowledgeable as to the underlying factual basis for the bond issue size, use of proceeds and related matters.

7. We are also concerned about the adoption by the Village of the gift ban provisions of the State Officials and Employees Ethics Act, any special ethics or gift ban ordinance, resolution, bylaw or code provision, any lobbyist registration ordinance, resolution, bylaw or

code provision or any special provision of law or ordinance, resolution, bylaw or code provision relating to disqualification of counsel for any reason. We are aware of the provisions of the State Officials and Employees Ethics Act and will assume that you are aware of these provisions as well and that the Village has adopted proceedings that are only as restrictive as such Act. However, if the Village has stricter provisions than appear in such Act or has adopted such other special ethics or lobbyist provisions, we assume and are relying upon you to advise us of same.

E. FEES

As is customary, we will bill our fees as Bond Counsel on a transactional basis instead of hourly. Disbursements and other non-fee charges are billed separately and in addition to our fees for professional services. Factors which affect our billing include: (a) the amount of the Bonds; (b) an estimate of the time necessary to do the work; (c) the complexity of the issue (number of parties, timetable, type of financing, legal issues and so forth); (d) recognition of the partially contingent nature of our fee, since it is customary that in the case no financing is ever completed, we render a greatly reduced statement of charges; and (e) a recognition that we carry the time for services rendered on our books until a financing is completed, rather than billing monthly or quarterly.

Based upon our current understanding of the terms, structure, size and schedule of the proposed financing, the duties we will undertake pursuant to this engagement letter, the time we estimate will be necessary to effectuate the transaction and the responsibilities we will assume, we expect that our fee will be $20,000.

If at any time, we believe that circumstances require an adjustment of our original fee estimate, we will consult with you and prepare an amendment to this engagement letter. Our statement of charges is customarily rendered and paid at Closing, or in some instances upon or shortly after delivery of the bond transcripts; we generally do not submit any statement for fees prior to the Closing, except in instances where there is a substantial delay from the expected timetable. In such instances, we reserve the right to present an interim statement of charges. If, for any reason, the Bonds are not issued or are issued without the rendition of our Bond Opinion as bond counsel, or our services are otherwise terminated, we expect to negotiate with you a mutually agreeable compensation.

The undersigned will be the attorney primarily responsible for the firm's services on this Bond issue, with assistance as needed from other members of our bond, securities and tax departments.

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F. Risk of Audit by Internal Revenue Service

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is excludable from gross income of the owners for federal income tax purposes. We can give no assurances as to whether the Service might commence an audit of the Bonds or whether, in the event of an audit, the Service would agree with our opinions. If an audit were to be commenced, the Service may treat the Village as the taxpayer for purposes of the examination. As noted in Paragraph 6 of Part B above, the scope of our representation does not include responding to such an audit. However, if we were separately engaged at the time, and subject to the applicable rules of professional conduct, we may be able to represent the Village in the matter.

G. Treasury Circular 230

We wish to call to your attention the publication by the U.S. Department of the Treasury (*"Treasury"*) of certain amendments to Circular 230, rules of professional conduct governing the practice of attorneys and other tax advisors before the Internal Revenue Service. Certain of these rules became effective September 26, 2007, June 21, 2005, and earlier (collectively, the *"Final Regulations"*). A portion of these rules relating to tax-exempt or tax-credit bonds remain in proposed form (the *"Proposed Regulations"*). The Final Regulations specifically exclude "state or local bond opinions" (as defined in Notice 2005-47, issued June 7, 2005) from the specific content requirements of the Final Regulations, but only until the Proposed Regulations are made final and become effective.

When the Proposed Regulations for "state or local bond opinions" are made final and become effective, and if these regulations are made final in the form now proposed, extensive and lengthy changes to the form of bond opinions and other written tax advice, as well as different or additional disclosures in the Official Statement, may be required. These new requirements may entail increased time for all transaction participants and are likely to increase costs. If those requirements become applicable to opinions or other written tax advice we are expected to render hereunder, we reserve the right to increase our fees appropriately, subject to consultation with and agreement by you.

As noted, the Proposed Regulations with respect to "state or local bond opinions" have not been finalized by Treasury. They will not be applicable until 120 days after they are made final and published. We are unable to predict when the Proposed Regulations may be made final or what they may require. We are following actions with respect to the Proposed Regulations, and are happy to discuss their status and possible impact on your proposed transaction with you.

In addition to governing the form and content of written tax advice, the Final Regulations provide rules for tax practitioners regarding conflicts of interest and related consents that in some respects are stricter than applicable state rules of professional conduct which otherwise apply. In particular, the Final Regulations require your consent to conflicts of interest to be given in writing not later than 30 days after the existence of the conflict of interest was known by us. If we have not received all of the required written consents by this date, we may be required under the Final Regulations to "promptly withdraw from representation" of the Village in this matter.

H. END OF ENGAGEMENT AND POST-ENGAGEMENT; RECORDS

Our representation of the Village and the attorney-client relationship created by this engagement letter will be concluded upon the issuance of the Bonds. Nevertheless, subsequent to the Closing, we will prepare and provide the Participants a bond transcript in a CD-ROM format pertaining to the Bonds and make certain that a Federal Information Reporting Form 8038-G is filed.

Please note that you are engaging us as special counsel to provide legal services in connection with a specific matter. After the engagement, changes may occur in the applicable laws or regulations, or interpretations of those laws or regulations by the courts or governmental agencies, that could have an impact on your future rights and liabilities. Unless you engage us specifically to provide additional services or advice on issues arising from this matter, we have no continuing obligation to advise you with respect to future legal developments.

This will be true even though as a matter of courtesy we may from time to time provide you with information or newsletters about current developments that we think may be of interest to you. While we would be pleased to represent you in the future pursuant to a new engagement agreement, courtesy communications about developments in the law and other matters of mutual interest are not indications that we have considered the individual circumstances that may affect your rights or have undertaken to represent you or provide legal services.

At your request, to be made at or prior to Closing, any other papers and property provided by the Village will be promptly returned to you upon receipt of payment for our outstanding fees and client disbursements. All other materials shall thereupon constitute our own files and property, and these materials, including lawyer work product pertaining to the transaction, will be retained or discarded by us at our sole discretion. You also agree with respect to any documents or information relating to our representation of you in any matter which have been lawfully disclosed to the public in any manner, such as by posting on EMMA, your website, newspaper publications, filings with a County Clerk or Recorder or with the Secretary of State, or otherwise, that we are permitted to make such documents or information available to other persons in our reasonable discretion. Such documents might include (without limitation) legal opinions, official statements, resolutions, or like documents as assembled and made public in a governmental securities offering.

We call your attention to the Village's own record keeping requirements as required by the Service. Answers to frequently asked questions pertaining to those requirements can be found on the Service's website under frequently asked questions related to tax-exempt bonds at www.irs.gov (click on "Tax Exempt Bond Community", then "Frequently Asked Questions"), and it will be your obligation to comply for at least as long as any of the Bonds (or any future bonds issued to refund the Bonds) are outstanding, plus three years.

I. Your Signature Required

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer not later than 30 days after the date of this letter, retaining the original for your files. We will provide copies of this letter to certain of the Participants to provide them with an understanding of our role. We look forward to working with you.

Very truly yours,

CHAPMAN AND CUTLER LLP

By Lawrence E. White
Lawrence E. White

Accepted and Approved:

VILLAGE OF PARK FOREST, COOK
AND WILL COUNTIES, ILLINOIS

By:________________________

Title: ________________________

Date: __________ __, 2012

cc: Mr. Anthony Miceli

Special Note: This letter must be signed and returned not later than 30 days after the date of this letter.

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AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor John A. Ostenburg
Board of Trustees

FROM: Kenneth Eyer,
Director of Public Works

RE: Proposal for 3 Parking Fare Terminals at Commuter Lot #2

BACKGROUND/DISCUSSION:
This past winter one of the coin collector cabinets rusted out and was replaced with a Cale Parking Fare Terminal. This unit allows for the collection of various denomination coins, dollar bills, credit cards, and debit cards. The remaining three units in lot 2 are in need of replacement. The pass card reader at the east end of the lot has no replacement parts available. The other two coin collectors only take quarters. With the change over to the Cale Parking Fare Terminal, the monthly pass card system will not be available for use.

TPS (Total Parking Solutions) is a sole source provider of the Cale Parking Fare Terminal for the tri-state territory of Wisconsin, Illinois and Indiana. These units are used in the City of Chicago, and at 68 various METRA stations including Richton Park. The current Cale unit was installed February 1, 2012 and is working as promised.

The proposed cost to remove the existing three units and furnish and install three Cale Parking Fare terminals is $40,545. There is an additional cost of $65 per terminal for WebOffice, a web-based management system required for credit card use. There is also a $3,780.00 per year fee for Service and Maintenance. The Municipal Parking fund of the 2012-2013 Budget has a combined $45,000 available for this purchase.

SCHEDULE FOR CONSIDERATION:
This item will appear on the Agenda of the Regular Meeting of September 10, 2012 for approval.

TPS
Total Parking Solutions, Inc.

August 6, 2012

Village of Park Forest
350 Victory Drive
Park Forest, IL 60466
Attn. Ken Eyer

Re: Proposal for Parking Fare Terminal for Village of Park Forest Metra Station

Ken;

The following proposal is for the Cale parking fare terminals for the Village of Park Forest Metra station. Total Parking Solutions, Inc. uses only proven equipment for our installations. Total Parking Solutions will provide final installation and training to the highest industry standards and your satisfaction. If you have any questions regarding the following proposal please feel free to contact me at your convenience.

Total Parking Solutions, Inc. was created to provide a full range of parking products, systems and solutions to the marketplace with the highest level of professionalism.

Once again, thank you for your time and consideration.

Sincerely,

Thomas Zawacki

Thomas Zawacki
President of Sales / Co-Owner
Total Parking Solutions, Inc.

Proposal for Parking Fare Terminals for Village of Park Forest Metra Station

Equipment provided:

QTY.	Description
3	Cale Compact XL parking fare terminal with coin, bill, and card payment, Wireless communications, 110 volt AC power, back up battery and heater.
3	Input/ output relay board for gate interface
3	Weather guard Kit for card inlet
A/R	Installation of terminal, programming and training

Project Total **$40,545.00**

- *110vac power must be provided at point of installation.*
- *Customer is responsible for any concrete work or trenching to provide 110vac Power*
- *Customer is responsible for conduit link to exit gate*

WebOffice cost: **$65 per terminal / per month**

***WebOffice Web-based management system required for credit card use.**

Service & Maintenance: **$3,780.00 per year for three terminals**

Terms: 50% of project total due with order; Balance due Net 30 days after completion of installation.

Total Parking Solutions

Customer approval or PO#

AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor Ostenburg
Board of Trustees

FROM: Roderick Ysaguirre – Assistant Village Engineer – Public Works

RE: Approval of a Local Agency Agreement for Federal Participation for the Improvements to Blackhawk Drive (FAU 1057).

BACKGROUND/DISCUSSION:

In June, the Village Board passed a Motor Fuel Tax Resolution to appropriate $47,500 dollars in Motor Fuel Tax Funds for Preliminary Engineering Services and an Engineering Services Agreement with Baxter and Woodman Consulting Engineers for those services, for improvements to Blackhawk Drive (FAU 1057). Blackhawk Drive is eligible for federal aid funding through the Surface Transportation Program (STP). If you recall, Public Works was able to secure inclusion of this project for the STP Fiscal Year 2012, but it remains on a tight timeframe. This preliminary engineering work is nearing completion as Final Plans and Specifications have been submitted to IDOT for final review and then placement on the November 9th Letting.

This agreement for Federal Participation will secure the Phase III Construction and Construction Engineering cost participation as shown below. STP will fund 70% of these costs for this project.

The total current estimated costs are as follows:
- Phase I and II Engineering - $47,500 (100% Village cost) – Nearing Completion
- Phase III Construction - $1,400,000 ($980,000 Federal Share, $420,000 Village Share)
- Phase III Construction Engineering - $100,000 ($70,000 Federal Share, $30,000 Village Share)
- Total Village Cost for Phase III - $450,000
- Total Village Cost for Project - $497,500

The Village Share will be funded by the Village's Motor Fuel Tax Fund.

RECOMMENDATION: Approve and enter into this Local Agency Agreement for Federal Participation to improve Blackhawk Drive (FAU 1057) from Monee Road (FAU 2830) to Sauk Trail (FAU 1632).

SCHEDULE FOR CONSIDERATION: This item will appear on the Agenda of the Regular meeting of September 10, 2012 for approval.

Illinois Department of Transportation **Local Agency Agreement for Federal Participation**	Local Agency Village of Park Forest	State Contract X	Day Labor	Local Contract	RR Force Account
	Section 12-00097-00-RS	Fund Type STU		ITEP Number	

Construction		Engineering		Right-of-Way	
Job Number	Project Number	Job Number	Project Number	Job Number	Project Number
C-91-566-12	M-4003(077)				

This Agreement is made and entered into between the above local agency hereinafter referred to as the "**LA**" and the state of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "**STATE**". The **STATE** and **LA** jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans approved by the **STATE** and the **STATE**'s policies and procedures approved and/or required by the Federal Highway Administration hereinafter referred to as "**FHWA**".

Location

Local Name Blackhawk Drive Route FAU 1057 Length 1.631 miles

Termini Monee Road (FAU 2830) to Sauk Trail (FAU 1632)

Current Jurisdiction LA Existing Structure No N/A

Project Description

Hot-Mix Asphalt surface removal and resurfacing along Blackhawk Drive, including pavement patching, curb & gutter removal and replacement, and pavement markings.

Division of Cost

Type of Work	STU	%	STATE	%	LA	%	Total
Participating Construction	980,000	(*)		( )	420,000	(BAL)	1,400,000
Non-Participating Construction		( )		( )		( )	
Preliminary Engineering		( )		( )		( )	
Construction Engineering	70,000	(*)		( )	30,000	(BAL)	100,000
Right of Way		( )		( )		( )	
Railroads		( )		( )		( )	
Utilities		( )		( )		( )	
Materials							
TOTAL	$ 1,050,000		$		$ 450,000		$ 1,500,000

*Maximum FHWA (STU) Participation 70% not to exceed $1,050,000.

NOTE: The costs shown in the Division of Cost table are approximate and subject to change. The final **LA** share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursment.

If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

The Federal share of construction engineering may not exceed 15% of the Federal share of the final construction cost.

Local Agency Appropriation

By execution of this Agreement, the **LA** is indicating sufficient funds have been set aside to cover the local share of the project cost and additional funds will be appropriated, if required, to cover the **LA**'s total cost.

Method of Financing (State Contract Work)

METHOD A---Lump Sum (80% of **LA** Obligation) __________

METHOD B--- __________ Monthly Payments of __________

METHOD C---**LA**'s Share Balance divided by estimated total cost multiplied by actual progress payment.

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)

Agreement Provisions

THE LA AGREES:

(1) To acquire in its name, or in the name of the state if on the state highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established state policies and procedures. Prior to advertising for bids, the **LA** shall certify to the **STATE** that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the **LA**, and **STATE** and the **FHWA**, if required.

(2) To provide for all utility adjustments, and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Agency Highway and Street Systems.

(3) To provide for surveys and the preparation of plans for the proposed improvement and engineering supervision during construction of the proposed improvement.

(4) To retain jurisdiction of the completed improvement unless specified otherwise by addendum (addendum should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, an addendum is required.

(5) To maintain or cause to be maintained, in a manner satisfactory to the **STATE** and **FHWA**, the completed improvement, or that portion of the completed improvement within its jurisdiction as established by addendum referred to in item 4 above.

(6) To comply with all applicable Executive Orders and Federal Highway Acts pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations required by the U.S. Department of Transportation.

(7) To maintain, for a minimum of 3 years after the completion of the contract, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records and supporting documents related to the contract shall be available for review and audit by the Auditor General and the department; and the **LA** agrees to cooperate fully with any audit conducted by the Auditor General and the department; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the **STATE** for the recovery of any funds paid by the **STATE** under the contract for which adequate books, records and supporting documentation are not available to support their purported disbursement.

(8) To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.

(9) To comply with Federal requirements or possibly lose (partial or total) Federal participation as determined by the **FHWA**.

(10) (State Contracts Only) That the method of payment designated on page one will be as follows:

Method A - Lump Sum Payment. Upon award of the contract for this improvement, the **LA** will pay to the **STATE**, in lump sum, an amount equal to 80% of the **LA**'s estimated obligation incurred under this Agreement, and will pay to the **STATE** the remainder of the **LA**'s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.

Method B - Monthly Payments. Upon award of the contract for this improvement, the **LA** will pay to the **STATE**, a specified amount each month for an estimated period of months, or until 80% of the **LA**'s estimated obligation under the provisions of the Agreement has been paid, and will pay to the **STATE** the remainder of the **LA**'s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.

Method C - Progress Payments. Upon receipt of the contractor's first and subsequent progressive bills for this improvement, the **LA** will pay to the **STATE**, an amount equal to the **LA**'s share of the construction cost divided by the estimated total cost, multiplied by the actual payment (appropriately adjusted for nonparticipating costs) made to the contractor until the entire obligation incurred under this Agreement has been paid.

(11) (Day Labor or Local Contracts) To provide or cause to be provided all of the initial funding, equipment, labor, material and services necessary to construct the complete project.

(12) (Preliminary Engineering) In the event that right-of-way acquisition for, or actual construction of the project for which this preliminary engineering is undertaken with Federal participation is not started by the close of the tenth fiscal year following the fiscal year in which this agreement is executed, the **LA** will repay the **STATE** any Federal funds received under the terms of this Agreement.

(13) (Right-of-Way Acquisition) In the event that the actual construction of the project on this right-of-way is not undertaken by the close of the twentieth fiscal year following the fiscal year in which this Agreement is executed, the **LA** will repay the **STATE** any Federal Funds received under the terms of this Agreement.

(14) (Railroad Related Work Only) The estimates and general layout plans for at-grade crossing improvements should be forwarded to the Rail Safety and Project Engineer, Room 204, Illinois Department of Transportation, 2300 South Dirksen Parkway, Springfield, Illinois, 62764. Approval of the estimates and general layout plans should be obtained prior to the commencement of railroad related work. All railroad related work is also subject to approval be the Illinois Commerce Commission (ICC). Final inspection for railroad related work should be coordinated through appropriate IDOT District Bureau of Local Roads and Streets office.

Plans and preemption times for signal related work that will be interconnected with traffic signals shall be submitted to the ICC for review and approval prior to the commencement of work. Signal related work involving interconnects with state maintained traffic signals should also be coordinated with the IDOT's District Bureau of Operations.

The **LA** is responsible for the payment of the railroad related expenses in accordance with the **LA**/railroad agreement prior to requesting reimbursement from IDOT. Requests for reimbursement should be sent to the appropriate IDOT District Bureau of Local Roads and Streets office.

Engineer's Payment Estimates in accordance with the Division of Cost on page one.

(15) And certifies to the best of its knowledge and belief its officials:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

(b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;

(c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, local) with commission of any of the offenses enumerated in item (b) of this certification; and

(d) have not within a three-year period preceding the Agreement had one or more public transactions (Federal, State, local) terminated for cause or default.

(16) To include the certifications, listed in item 15 above and all other certifications required by State statutes, in every contract, including procurement of materials and leases of equipment.

(17) (State Contracts) That execution of this agreement constitutes the **LA**'s concurrence in the award of the construction contract to the responsible low bidder as determined by the **STATE**.

(18) That for agreements exceeding $100,000 in federal funds, execution of this Agreement constitutes the **LA**'s certification that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress, in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions;

(c) The **LA** shall require that the language of this certification be included in the award documents for all subawards at all ties (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

(19) To regulate parking and traffic in accordance with the approved project report.

(20) To regulate encroachments on public right-of-way in accordance with current Illinois Compiled Statutes.

(21) To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with current Illinois Compiled Statutes.

(22) That the **LA** may invoice the **STATE** monthly for the **FHWA** and/or **STATE** share of the costs incurred for this phase of the improvement. The **LA** will submit supporting documentation with each request for reimbursement from the **STATE**. Supporting documentation is defined as verification of payment, certified time sheets, vendor invoices, vendor receipts, and other documentation supporting the requested reimbursement amount.

(23) To complete this phase of the project within three years from the date this agreement is approved by the **STATE** if this portion of the project described in the Project Description does not exceed $1,000,000 (five years if the project costs exceed $1,000,000).

(24) Upon completion of this phase of the improvement, the **LA** will submit to the **STATE** a complete and detailed final invoice with all applicable supporting supporting documentation of all incurred costs, less previous payments, no later than one year from the date of completion of this phase of the improvement. If a final invoice is not received within one year of completion of this phase of the improvement, the most recent invoice may be considered the final invoice and the obligation of the funds closed.

(25) (Single Audit Requirements) That if the **LA** expends $500,000 or more a year in federal financial assistance they shall have an audit made in accordance with the Office of Management and Budget (OMB) Circular No. A-133. **LA**'s that expend less than $500,000 a year shall be exempt from compliance. A copy of the audit report must be submitted to the **STATE** with 30 days after the completion of the audit, but no later than one year after the end of the **LA**'s fiscal year. The CFDA number for all highway planning and construction activities is 20.205.

(26) That the **LA** is required to register with the Central Contractor Registration (CCR), which is a web-enabled government-wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract award and the electronic payment processes. If you do not have a CCR number, you must register at https://www.bpn.gov/ccr. If the **LA**, as a sub-recipient of a federal funding, receives an amount equal to or greater than $25,000 (or which equals or exceeds that amount by addition of subsequent funds), this agreement is subject to the following award terms: http://edocket.access.gpo.gov/2010/pdf/2010-22705.pdf and http://edocket.access.gpo.gov/2010/pdf/2010-22706.pdf.

THE STATE AGREES:

(1) To provide such guidance, assistance and supervision and to monitor and perform audits to the extent necessary to assure validity of the **LA**'s certification of compliance with Titles II and III requirements.

(2) (State Contracts) To receive bids for the construction of the proposed improvement when the plans have been approved by the **STATE** (and **FHWA**, if required) and to award a contract for construction of the proposed improvement, after receipt of a satisfactory bid.

(3) (Day Labor) To authorize the **LA** to proceed with the construction of the improvement when Agreed Unit Prices are approved and to reimburse the **LA** for that portion of the cost payable from Federal and/or State funds based on the Agreed Unit Prices and Engineer's Payment Estimates in accordance with the Division of Cost on page one.

(4) (Local Contracts) That for agreements with Federal and/or State funds in engineering, right-of-way, utility work and/or construction work:

(a) To reimburse the **LA** for the Federal and/or State share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payment by the **LA**;

(b) To provide independent assurance sampling, to furnish off-site material inspection and testing at sources normally visited by **STATE** inspectors of steel, cement, aggregate, structural steel and other materials customarily tested by the **STATE**.

IT IS MUTUALLY AGREED:

(1) Construction of the project will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction.

(2) That this Agreement and the covenants contained herein shall become null and void in the event that the **FHWA** does not approve the proposed improvement for Federal-aid participation or the contract covering the construction work contemplated herein is not awarded within three years of the date of execution of this Agreement.

(3) This Agreement shall be binding upon the parties, their successors and assigns.

(3) For contracts awarded by the **LA**, the **LA** shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT – assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The **LA** shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT – assisted contracts. The **LA**'s DBE program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31U.S.C. 3801 et seq.). In the absence of a USDOT – approved **LA** DBE Program or on State awarded contracts, this Agreement shall be administered under the provisions of the **STATE**'s USDOT approved Disadvantaged Business Enterprise Program.

(4) In cases where the **STATE** is reimbursing the **LA**, obligations of the **STATE** shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly or applicable Federal Funding source fails to appropriate or otherwise make available funds for the work contemplated herein.

(5) All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement and/or amendment shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application

ADDENDA

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.

Number 1 Location Map

(Insert addendum numbers and titles as applicable)

The LA further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all exhibits indicated above.

APPROVED

Local Agency

John A. Ostenburg

Mayor

(Signature) Date

The above signature certifies the agency's TIN number is 36-6006040 conducting business as a Governmental Entity.

DUNS Number 079761573

NOTE: If signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.

APPROVED

State of Illinois
Department of Transportation

Ann L. Schneider, Secretary of Transportation Date

By:

(Delegate's Signature)

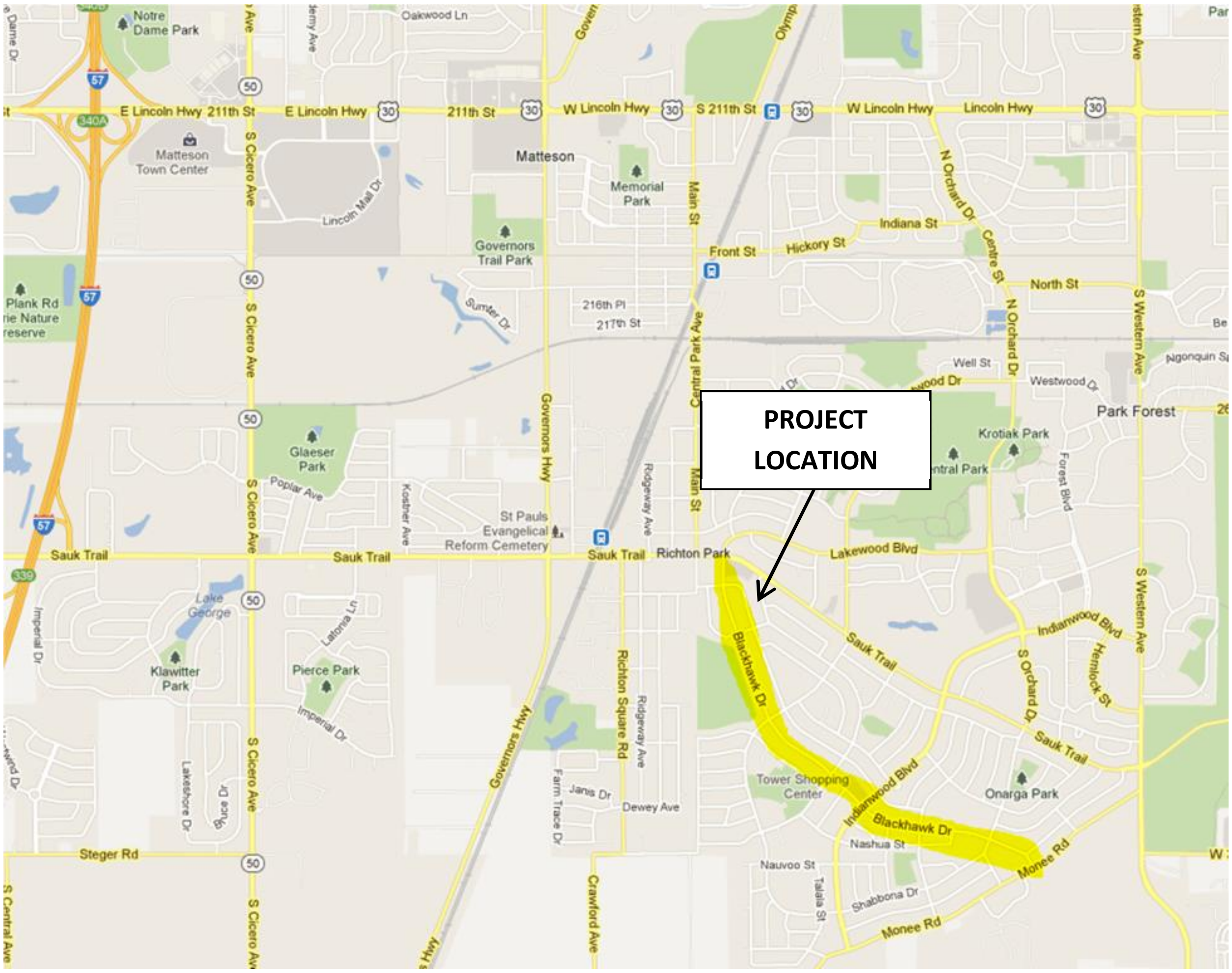
(Delegate's Name - Printed)

William R. Frey, Interim Director of Highways/Chief Engineer Date

Ellen J. Schanzle-Haskins, Chief Counsel Date

Matthew R. Hughes, Director of Finance and Administration Date

Addendum #1



(Map Source: maps.google.com)

Location Map

FAU 1057 (Blackhawk Drive)
From FAU 2830 (Monee Road) to FAU 1632 (Sauk Trail)
Village of Park Forest, Cook County and Will County, Illinois

AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor John Ostenburg
Board of Trustees

FROM: Mary G. Dankowski, Deputy Village Manager/Finance Director

RE: An Ordinance providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds (General Obligation Refunding Bonds 2012A for $1,585,000 and 2012 B for $2,635,000 refunding Series 2001.)

BACKGROUND/DISCUSSION: When the 2001 bonds were issued they were issued to refinance $3.7 million in TIF debt and secure $3.1 million to finance a new fire station. Interest rates on this debt ranged from 4.75% to 5.40%. As interest rates have declined these bonds were monitored to determine the optimal time for refunding. If the bonds were advance refunded, refunded before they became callable, the savings would be reduced by additional costs. These bonds are now callable and interest rates are at an optimal level ranging from 2.8% to 3.5%. Actual rates at bond pricing may vary.

As can be seen in the cost analysis, refunding the 2001 Series Bonds will save the Village an estimated $635,220 in debt service payments. As part of this refunding the TIF portion of the debt will be financed separately as the 2012A Series accelerating payments to match the 2020 scheduled end of the DownTown TIF.

The timetable indicates the bond closing to occur the beginning of October. An Official Statement has been prepared as part of this process and is attached. A separate presentation for representatives from Moody's Investor Service, the bond rating agency, is now attached and was presented on August 30. When the Village issued bonds in 2008 it was able to improve its bond rating from Baa2 to A3. The Village was elevated to A1 as part of the national credit assessment done on the heels of the financial debt crisis. This A1 rating was affirmed by Moody's with the following comment "Given the village's ability to navigate the recent economic downturn with minimal draws on reserves or impacts on service delivery levels, along with its strong planning practices, the village's financial profile is expected to remain healthy over the near to medium term."

The $635,220 savings in debt service will have a direct impact on the tax levy needed to fund payments.

SCHEDULE FOR CONSIDERATION: This item is scheduled for approval at the Regular Meeting of Monday, September 10, 2012.

EXTRACT OF MINUTES of the regular public meeting of the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, held at the Village Hall, located at 350 Victory Drive, Park Forest, Illinois, in said Village, at 7:00 p.m., on the 10th day of September, 2012.

Upon the roll being called the Mayor and the following Trustees were physically present at said location: ____

____

____

The following Trustees were allowed by a majority of the members of the Mayor and Board of Trustees in accordance with and to the extent allowed by rules adopted by the Mayor and Board of Trustees to attend the meeting by video or audio conference: __________________

____

No Trustee was not permitted to attend the meeting by video or audio conference.

The following Trustees were absent and did not participate in the meeting in any manner or to any extent whatsoever: ____

____

Various business was conducted.

The Mayor and Board of Trustees then discussed a proposed bond refunding and considered an ordinance providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, and providing for the levy and collection of a direct annual tax and the pledge of certain tax increment revenues for the payment of the principal of and interest on certain of said bonds.

Thereupon, Trustee ______________________ presented, the Village Attorney explained, and there was read into the record by title or in full the following ordinance:

AN ORDINANCE providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds.

(the *"Bond Ordinance"*).

Trustee ____________________ moved and Trustee _______________________ seconded the motion that the Bond Ordinance as presented be adopted.

A discussion of the matter followed. During the discussion, _______________________ gave a public recital of the nature of the matter, which included a reading of the title of the ordinance and statements (1) that the ordinance provided for the issuance of general obligation bonds for the purpose of paying the costs of refunding certain outstanding general obligation bonds, a portion of which were issued to pay debt service on tax increment bonds issued in connection with the ongoing redevelopment project activities of the Village in its Downtown Redevelopment Project Area, (2) that the bonds are issuable without referendum under the Village's home rule powers, (3) that the ordinance provides for the levy of taxes to pay the bonds and for the pledge of incremental property tax revenues to that portion of the bonds issued to refund the outstanding tax increment bonds, and (4) that the ordinance provides many details for the bonds, including tax-exempt status covenants, provision for terms and form of the bonds, and appropriations.

The Mayor directed that the roll be called for a vote upon the motion to adopt the ordinance.

Upon the roll being called, the following Trustees voted AYE: ________________________

____

____

and the following Trustees voted NAY: ____

WHEREUPON, the Mayor declared the motion carried and the ordinance adopted, and henceforth did approve and sign the same in open meeting, and did direct the Village Clerk to record the same in full in the records of the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

____

Village Clerk

ORDINANCE NUMBER ____

AN ORDINANCE providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds.

Introduced by the Mayor and Board of Trustees on the 20th day of August, 2012.
Adopted by the Mayor and Board of Trustees on the 10th day of September, 2012.

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ORDINANCE NUMBER _____

AN ORDINANCE providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds.

WHEREAS the Village of Park Forest, Cook and Will Counties, Illinois (the *"Village"*), is a *"home rule unit"* pursuant to Section 6 of Article VII of the 1970 Constitution of the State of Illinois and as such may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to incur debt, and is further authorized to issue its full faith and credit obligations without prior referendum approval; and

WHEREAS the Mayor and Board of Trustees of the Village (the *"Corporate Authorities"*) have heretofore determined, and it hereby is determined, that the Village is authorized to issue its full faith and credit obligations without prior referendum approval for the purpose of refunding certain heretofore issued and now outstanding full faith and credit obligations of the Village, all pursuant to Article 8 and Division 74.4 of Article 11 of the Illinois Municipal Code, as supplemented and amended, and as provided in the hereinafter defined Act; and

WHEREAS the Corporate Authorities have considered and approved the following plan of financing for certain of the Village's outstanding bonds:

> In 2001, the Village issued its General Obligation Bonds, Series 2001 (the *"2001 Bonds"*), the proceeds of which were used to pay the cost of (i) installing certain public capital infrastructure improvements in and for the Village (the *"2001 Corporate Purpose Bonds"*) and (ii) advance refunding certain theretofore issued tax increment

allocation bonds issued to pay redevelopment project costs incurred for the Downtown Tax Increment Redevelopment Project Area (the *"Redevelopment Project Area"*) of the Village (the *"2001 TIF Bonds"*). 2001 Bonds in the principal amount of $4,410,000 (the *"Outstanding 2001 Bonds"*) are due and payable on January 1 of the years 2013 to 2025, inclusive. $2,702,503 of the Outstanding 2001 Bonds are 2001 Corporate Purpose Bonds, and $1,707,497 of the Outstanding 2001 Bonds are 2001 TIF Bonds.

Certain of these Outstanding 2001 Bonds (the *"Refunded Bonds"*) will be refunded. The *"TIF Refunding"* hereinafter refers to the current refunding of the Outstanding 2001 Bonds, the portion of which is allocable to the 2001 TIF Bonds (the *"Prior TIF Bonds"*). The *"Corporate Purpose Refunding"* hereinafter refers to the current refunding of the Outstanding 2001 Bonds, the portion of which is allocable to the 2001 Corporate Purpose Bonds (the *"Prior Corporate Purpose Bonds"*). The TIF Refunding and the Corporate Purpose Refunding constitute, collectively, the *"Refunding"*.

A portion of the proceeds to be received from the sale of the Bonds will be deposited into an Escrow Account (the *"Escrow Account"*) to be held by a bank or financial institution having fiduciary capacity, as escrow agent, under the terms of an Escrow Agreement (the *"Escrow Agreement"*), by and between the Village and such escrow agent, and hereinafter approved. The proceeds so deposited into the Escrow Account shall be invested by such escrow agent as set forth in the Escrow Agreement. The amounts in the Escrow Account will be used to pay the principal of the Refunded Bonds at stated maturity thereof or on their respective redemption dates. The rest of the Bond proceeds will be used to pay the costs of issuing the Bonds.

WHEREAS those bonds which were refunded by the Prior TIF Bonds were issued pursuant to the Tax Increment Allocation Redevelopment Act, as supplemented and amended (the *"TIF Act"*), in connection with the redevelopment by the Village of its Town Center Redevelopment Project Area (the *"Prior TIF Area"*); and

WHEREAS the Corporate Authorities heretofore determined that blighting conditions in the Prior TIF Area had increased and it was therefore essential that the Village take action to arrest the continuing decline evident in the Prior TIF Area; and

WHEREAS the Village heretofore determined that the Prior TIF Area had not been and was not reasonably expected likely to be successfully redeveloped, and accordingly the Corporate Authorities terminated the Prior TIF Area by rescinding the ordinances adopted to approve the redevelopment plan and project for and designate the Prior TIF Area and to adopt tax increment allocation financing therefor; and

WHEREAS in order to arrest the decline of the territory included within the Prior TIF Area and surrounding the Prior TIF Area and to maximize the likelihood of successful redevelopment of the same the Village caused the preparation of an eligibility study and a redevelopment plan, gave notice of a public hearing, convened a joint review board, held a public hearing and approved a new redevelopment plan and project for and by ordinance adopted on November 10, 1997, designated a reconfigured redevelopment project area known as the Downtown Tax Increment Redevelopment Project Area (as previously defined, the *"Redevelopment Project Area"*); and

WHEREAS the Corporate Authorities approved said redevelopment plan and project (the *"TIF Plan"* and *"TIF Project"*), designated the Redevelopment Project Area, and adopted tax increment allocation financing therefor, all in accordance with the TIF Act (collectively, the *"TIF Proceedings"*); and

WHEREAS in order to assist in the restructuring of the debt service burden occasioned by the Refunded Bonds, including particularly, as to the Prior TIF Bonds, the debt service burden on the hereinafter defined Incremental Property Taxes, the Corporate Authorities have heretofore, and it hereby is, determined that it is advisable to undertake the Refunding; and

WHEREAS there are insufficient funds of the Village on hand and lawfully available to pay the costs of the Refunding; and

WHEREAS the Corporate Authorities do hereby determine that it is advisable and in the best interests of the Village to borrow not to exceed $1,900,000 at this time pursuant to the TIF Act as hereinafter defined for the purpose of paying the costs of the TIF Refunding and not to exceed $2,900,000 at this time pursuant to the home rule powers of the Village to pay the costs of the Corporate Purpose Refunding, and, in evidence of such borrowing, issue one or more series of its full faith and credit bonds in the total principal amount of not to exceed $4,800,000:

NOW THEREFORE Be It Ordained by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Definitions. A. The following words and terms are as defined in the preambles hereto.

2001 Bonds

2001 Corporate Purpose Bonds

2001 TIF Bonds

Corporate Authorities

Corporate Purpose Refunding

Escrow Account

Escrow Agreement

Outstanding 2001 Bonds

Prior Corporate Purpose Bonds

Prior TIF Area

Prior TIF Bonds

Redevelopment Project Area

Refunded Bonds

Refunding

TIF Act

TIF Plan

TIF Proceedings

TIF Project

TIF Refunding

Village

B. In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Ordinance shall have the following meanings, unless, in either case, the context or use clearly indicates another or different meaning is intended:

"2012A Bonds" means the General Obligation Refunding Bonds, Series 2012A, to be issued pursuant to this Ordinance, which bonds are secured in part by the Incremental Property Taxes.

"2012B Bonds" means the General Obligation Refunding Bonds, Series 2012B, to be issued pursuant to this Ordinance.

"Accounting" means the annual accounting of the TIF Fund conducted by the Treasurer as more particularly described in (Section 14 of) this Ordinance.

"Act" means the Illinois Municipal Code, as supplemented and amended, and particularly as supplemented and amended by the Local Government Debt Reform Act, as

amended, and the other Omnibus Bond Acts, as amended, and the home rule powers of the Village under Section 6 of Article VII of the Illinois Constitution of 1970. In the event of conflict between the provisions of said code and said act and home rule powers, the home rule powers shall be deemed to supersede the provisions of said code and said act.

"*Additional Bonds*" means bonds, notes, or other obligations issued or to be issued pursuant to the TIF Act and secured, in whole or in part, by Incremental Property Taxes. Additional Bonds may be secured by, ratably and equally with any outstanding General Obligation Bonds, Series 2001, General Obligation Refunding Bonds, Series 2008A, and General Obligation Refunding Bonds, Series 2012A, the Incremental Property Taxes.

"*Bond*" or "*Bonds*" means one or more, of the General Obligation Refunding Bonds authorized to be issued in one or more Series by this Ordinance.

"*Bond Counsel*" means Chapman and Cutler LLP, presently located at 111 West Monroe Street, Chicago, Illinois, 60603.

"*Bond Fund*" means the Bond Fund established and defined in (Section 13 of) this Ordinance.

"*Bond Moneys*" means the Pledged Taxes and any other moneys deposited into the Bond Fund and investment income earned in the Bond Fund.

"*Bond Order*" means a written bond order and notification of sale setting forth certain details of a Series of Bonds as hereinafter provided.

"*Bond Register*" means the books of the Village kept by the Bond Registrar to evidence the registration and transfer of the Bonds.

"*Bond Registrar*" means the bank or financial institution, having fiduciary capacity, so designated in a Bond Order, or a successor thereto or a successor designated as Bond Registrar hereunder.

"*Bond Year*" means for any year the 12-calendar month period commencing on January 2 and ending on the subsequent January 1.

"*Book Entry Form*" means the form of Bonds in which they are delivered to a depository and held solely by a depository, or its nominee, as record owner, transfers of beneficial ownership for such Bonds being made by book entries in accordance with the procedures of such depository.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*County Clerks*" means the respective County Clerks of The Counties of Cook and Will, Illinois.

"*Debt Service Reserve Requirement*" means, with reference to the Bonds, an amount which is equal to $-0-.

"*Depository*" or "*DTC*" means The Depository Trust Company, New York, New York, or successor or assign duly qualified to clear securities through a book-entry system.

"*Designated Officers*" means the Mayor, Treasurer or Manager of the Village, or successors or assigns.

"*Escrow Agent*" means the escrow agent for the Refunding of the Refunded Bonds, so designated in a Bond Order and the Escrow Agreement.

"*Full Faith and Credit Taxes*" means the tax levy on the taxable property within the Village to pay principal of and interest on the Bonds as authorized in (Section 10 of) this Ordinance and as specifically set forth in Bond Order.

"*Incremental Property Taxes*" means the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Redevelopment Project Area by any and all taxing districts having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the Initial Equalized Assessed Value of each such piece of property, all as determined by the County Clerk of The County of Cook, Illinois, in accord with Section 11-74.4-9 of the TIF Act, and specifically including any successor or replacement ad valorem, sales or other taxes imposed by the Village or the State.

"*Insurer*" means any issuer of a financial guaranty or municipal bond insurance policy for a Series of Bonds as identified in a Bond Order.

"*Interest Payment Date*" means a Stated Maturity of interest on Bonds.

"*Interest Requirement*" means, for any Bond Year, the aggregate amount of interest having a Stated Maturity during such Bond Year.

"*Ordinance*" means this Ordinance, numbered as set forth on the title page hereof, introduced by the Corporate Authorities on the 20th day of August, 2012, and passed by the Corporate Authorities on the 10th day of September, 2012.

"*Outstanding*" or "*outstanding*" means with respect to Bonds, as of the date of determination, all Bonds theretofore authenticated and delivered hereunder except: (i) Bonds theretofore paid and cancelled; (ii) Bonds (a) which have matured and for which moneys are on deposit with the Paying Agent, or are otherwise presently available, sufficient to pay all principal of and premium, if any, and interest thereon and (b) the provision for payment of which has been made by the Village in accordance with (Section 23 of) this Ordinance, and (iii) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Ordinance.

"*Paying Agent*" means the bank or financial institution, having fiduciary capacity, so designated in a Bond Order, or a successor designated as Paying Agent hereunder.

"*Pledged Taxes*" means, collectively, the Full Faith and Credit Taxes and, as additional security for the 2012A Bonds only, the Incremental Property Taxes.

"*Policy*" means a municipal bond new issue insurance policy for a Series of Bonds to be issued by an Insurer, if so designated in a Bond Order.

"*Principal Payment Date*" means a Stated Maturity of principal on Bonds.

"*Principal Requirement*" means, for any Bond Year, the aggregate principal amount of Bonds having a Stated Maturity during such Bond Year.

"*Prior Projects*" means those projects so defined in the "Private Business Use" definition herein.

"*Private Business Use*" means any use of any portion of the improvements financed by the Refunded Bonds (the "*Prior Projects*") by any person other than a state or local governmental unit, including as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract or (iii) any other similar arrangement, agreement or understanding, whether written or oral, except for use of any portion of the Prior Projects on the same basis as the general public. "Private Business Use" includes any formal or informal arrangement with any person other than a state or local governmental unit that conveys special legal entitlements to any portion of the Prior Projects that is available for use by the general public or that conveys to any person other than a state or local governmental unit any special economic benefit with respect to any portion of the Prior Projects that is not available for use by the general public.

"*Purchase Price*" means, for any Series of Bonds, the price to be paid by the Purchaser as the price for such Series of Bonds, *provided, however*, that a Purchase Price shall not be less than ninety-eight percent (98.00%) of par (without regard to original issue discount, if any), plus accrued interest to date of delivery, if any.

"*Purchaser*" means Robert W. Baird & Co. Incorporated, Naperville, Illinois.

"*Qualified Investments*" means any investments lawful for the Village under the laws of the State.

"*Record Date*" means the 15th day of the month next preceding any regularly scheduled interest payment date and 15 days prior to any interest payment date occasioned by a redemption of Bonds on other than a regularly scheduled interest payment date.

"*Representation Letter*" means such written letter or agreement by and between the Village and the Depository as shall be necessary to effectuate a book-entry only system for the Bonds.

"*Series*" means a separate series of Bonds issued pursuant to this Ordinance.

"*State*" means the State of Illinois.

"*Stated Maturity*" means, when used with respect to any Bond or any interest thereon, the date specified in such Bond as the fixed date on which the principal of such Bond or such interest is due and payable.

"*Tax-exempt*" means, with respect to the Bonds, the status of interest paid and received thereon as excludable from the gross income of the owners thereof under the Code for federal income tax purposes and as not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but as taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

"*Tax Year*" means the year for which an ad valorem tax levy is made by any and all taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area. The 2012 Tax Year shall be that year during which ad valorem taxes levied for the year 2012 (collectible in the year 2013) are extended and collected, and so on.

"*Term Bonds*" means Bonds which are subject to mandatory redemption prior to maturity by operation of the Bond Fund, as hereinafter provided.

"*TIF Fund*" means the 1997 Downtown Tax Increment Redevelopment Project Area Special Tax Allocation Fund heretofore established for the Redevelopment Project Area by the Corporate Authorities on November 10, 1997.

"*Total Initial Equalized Assessed Value*" means the total initial equalized assessed value of the taxable real property in the Redevelopment Project Area as certified by the County Clerk of The County of Cook, Illinois, pursuant to the TIF Act.

Section 2. *Incorporation of Preambles.* The Corporate Authorities hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and do incorporate them into this Ordinance by this reference.

Section 3. *Determination To Issue Bonds*. It is necessary and in the best interests of the Village to provide for the Refunding, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Bonds for such purposes. It is hereby found and determined that such borrowing of money (i) is necessary for the welfare of the government and affairs of the Village, (ii) is for a proper public purpose or purposes and is in the public interest, and (iii) is authorized pursuant to the Act, and these findings and determinations shall be deemed conclusive.

Section 4. *Bond Details*. A. GENERALLY APPLICABLE PROVISIONS. For the purpose of providing for the payment of the costs of the Refunding and to pay all related costs and expenses incidental thereto, there shall be issued and sold one or more Series of Bonds in the total aggregate principal amount of not to exceed $4,800,000. Each Series of Bonds shall be in fully registered form, be designated "General Obligation Refunding Bonds, Series 20__," as shall be specified in the relevant Bond Order, be dated such date, not earlier than October 1, 2012, or later than April 1, 2013, as shall be set forth in the relevant Bond Order (any such date being a "*Dated Date*"), and shall also bear the date of authentication thereof. The Bonds shall be in denominations of $5,000 or integral multiples thereof (but no single Bond shall represent principal maturing on more than one date), shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar and shall become due and payable (subject to the right of prior redemption as hereinafter provided) on January 1 of the years and in the amounts and bearing interest at the rates percent per annum as shall be set out in the respective Bond Order, *provided*, that no Bond shall mature on a date which is later than the respective dates as hereinafter provided in this Section or bear interest at a rate percent which is in excess of the respective maximum rates as hereinafter provided in this Section.

Each Bond shall bear interest from the later of its Dated Date as herein provided or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on January 1 and July 1 of each year, commencing on January 1, 2013, or on July 1, 2013 (or on such other date or dates as shall be provided in the relevant Bond Order). Interest on each Bond shall be paid by check or draft of the Paying Agent, payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the applicable Record Date or as otherwise agreed to by the Village and the Depository for as long as the Bonds remain in Book Entry Form as hereinafter provided. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office maintained for the purpose by the Paying Agent, or at successor Paying Agent and locality.

B. SERIES 2012A BONDS. To pay the costs of refunding the Prior TIF Bonds, there shall be issued one Series of 2012A Bonds in not to exceed the aggregate principal amount of $1,900,000, *provided* that the maximum principal amount having a Stated Maturity in any one year shall not exceed $350,000. No 2012A Bond shall bear interest at a rate percent per annum in excess of six percent (6.00%) or mature on a date which is later than January 1, 2020.

C. SERIES 2012B BONDS. To pay the costs of refunding the Prior Corporate Purpose Bonds, there shall be issued one Series of 2012B Bonds in not to exceed the aggregate principal amount of $2,900,000, *provided* that the maximum principal amount having a Stated Maturity in any one year shall not exceed $355,000. No 2012B Bond shall bear interest at a rate percent per annum in excess of six percent (6.00%) or mature on a date which is later than January 1, 2025.

Section 5. Execution; Authentication. The Bonds shall be executed on behalf of the Village by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its Village Clerk, as they may determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Village. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the Village and showing the date of authentication. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 6. Redemption. A. MANDATORY REDEMPTION. The Bonds maturing on the date or dates, if any, indicated in a Bond Order shall be Term Bonds and be subject to mandatory redemption, in integral multiples of $5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date for the Bonds on January 1 of the years, if any, and in the principal amounts, if any, as indicated in such Bond Order.

The principal amounts of Term Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the Village may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Village shall, purchase Term Bonds required to be retired on such mandatory redemption date. Any such Term Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

B. OPTIONAL REDEMPTION. If so provided in a Bond Order, any of the Bonds shall be subject to redemption prior to maturity at the option of the Village, from any available moneys, in whole or in part, and if in part in such principal amounts and from such maturities as the Village shall determine and within any maturity by lot, on the dates and at the redemption prices as shall be set out in such Bond Order, *provided, however,* that the first optional redemption date for such Bonds shall not be later than 10 1/2 years from the date such Bonds are issued and *further provided* that no Bond may be callable for redemption at a redemption price in excess of 103% of principal amount redeemed, plus accrued interest to the date fixed for redemption.

Section 7. Redemption Procedure. The Bonds subject to redemption shall be identified, notice given, and paid and redeemed pursuant to the procedures as follows.

1. *Redemption Notice.* For a mandatory redemption of Term Bonds, the Bond Registrar shall proceed to redeem the Term Bonds without any further order or direction from the Village whatsoever. For an optional redemption, the Village shall, at least 45 days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar), notify the Bond Registrar of such redemption date and of the principal amount and maturities of Bonds to be redeemed.

2. *Selection of Bonds within a Maturity.* For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar for the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided*, that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any $5,000 Bond or $5,000 portion of a Bond shall be as likely to be called for redemption as any other such $5,000 Bond or $5,000 portion. The Bond Registrar shall make such selection (1) upon or prior to the time of the giving of official notice of redemption, or (2) in the event of a refunding or defeasance, upon advice from the Village that certain Bonds have been refunded or defeased and are no longer Outstanding as defined.

3. *Official Notice of Redemption.* The Bond Registrar shall promptly notify the Village in writing of the Bonds or portions of Bonds selected for redemption and, in

the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed. Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the Village by mailing the redemption notice by first class U.S. mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar. All official notices of redemption shall include the name of the Bonds and at least the information as follows:

(a) the redemption date;

(b) the redemption price;

(c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;

(d) a statement that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and

(e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office designated for that purpose of the Bond Registrar.

4. *Conditional Redemption.* Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed shall have been received by the Bond Registrar prior

to the giving of such notice of redemption, such notice may, at the option of the Village, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the Village shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Bonds will not be redeemed.

5. *Bonds Shall Become Due.* Official notice of redemption having been given as described, the Bonds or portions of Bonds so to be redeemed shall, subject to the stated condition in paragraph (D) immediately preceding, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due.

6. *Insufficiency in Notice Not Affecting Other Bonds; Failure to Receive Notice; Waiver.* Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the

equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver. *In lieu of the foregoing official notice, so long as the Bonds are held in book entry form, notice may be given as provided in the Representation Letter, and the giving of such notice shall constitute a waiver by DTC and the book entry owner, as registered owner, of the foregoing notice. After giving proper notification of redemption to the Bond Registrar, as applicable, the Village shall not be liable for any failure to give or defect in notice.*

7. *New Bond in Amount Not Redeemed.* Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of Authorized Denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

8. *Effect of Nonpayment upon Redemption.* If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall become due and payable on demand, as aforesaid, but, until paid or duly provided for, shall continue to bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption.

9. *Bonds to Be Cancelled; Payment to Identify Bonds.* All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

10. *Additional Notice.* The Village agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however,* that such additional notice shall be (1) advisory in nature, (2) solely in the discretion of the Village (unless a separate agreement shall be made), (3) not be a condition precedent of a valid redemption or a part of the Bond contract, and (4) any failure or defect in such notice shall not delay or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the Village with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

11. *Bond Registrar to Advise Village.* As part of its duties hereunder, the Bond Registrar shall prepare and forward to the Village a statement as to notices given with respect to each redemption together with copies of the notices as mailed.

Section 8. Book Entry Only System; Registration and Exchange or Transfer of Bonds; Persons Treated as Owners. (A) BOOK-ENTRY ONLY SYSTEM. The Bonds shall be initially issued in the form of a separate single fully registered Bond for each maturity. Upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register therefor in the name of CEDE & Co., or any successor thereto, as nominee of the Depository. All of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of CEDE & Co., as nominee of the Depository. The Treasurer is hereby authorized to execute and deliver on behalf of the Village a Representation Letter. Without limiting the generality of the authority given to the Treasurer with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interest therein, (c) redemption notices or procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of CEDE & Co., as nominee of the Depository and except as otherwise herein provided, the Village and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institutions for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a *"Depository Participant"*) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the Village and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, CEDE & Co., or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, or any notice with respect to the Bonds, including any notice of redemption, or (c) the payment to any Depository Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to principal of or interest on the Bonds.

No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of CEDE & Co., and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15th day of the month next preceding the applicable interest payment date, the name "CEDE & Co." in this Ordinance shall refer to such new nominee of the Depository.

In the event that (a) the Village determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the Village, the Bond Registrar and the Depository evidenced by the Representation Letter shall be terminated for any reason, or (c) the Village determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Village shall notify the Depository and the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of CEDE & Co., as nominee of the Depository. The Village may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as may be acceptable to the Village, or such depository's agent or designee, and if the Village does not select such alternate book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of CEDE & Co., as nominee of the Depository, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

In the event that the Bonds ever become generally registrable, as aforesaid, the Treasurer may, in his or her discretion at such time, designate a bank with trust powers or trust company, duly authorized to do business as a bond registrar, paying agent, or both, to act in one or both such capacities hereunder, in the event that the Treasurer shall determine it to be advisable.

Notice shall be given to the registered owners of any such designation in the same manner, as near as may be practicable, as for a notice of redemption of Bonds, and as if the date of such successor taking up its duties were the redemption date.

(B) REGISTRATION. The Village shall cause the Bond Register to be kept at the office maintained for the purpose by the Bond Registrar. The Village is authorized to prepare, and the Bond Registrar or such other agent as the Village may designate shall keep custody of, multiple Bond blanks executed by the Village for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office maintained for the purpose by the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The execution by the Village of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid.

The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any

Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

No registered owner shall be charged a service charge for any transfer or exchange of Bonds, but the Village or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Section 9. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided*, *however*, that if the text of the Bonds is to be printed in its entirety on the front side of the Bonds, then the second paragraph on the front side and the legend "See Reverse Side for Additional Provisions" shall be omitted and the text of paragraphs set forth for the reverse side shall be inserted immediately after the first paragraph.

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
$_________

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTIES OF COOK AND WILL
VILLAGE OF PARK FOREST
GENERAL OBLIGATION REFUNDING BOND, SERIES 2012_

See Reverse Side for Additional Provisions.

Interest	Maturity	Dated	
Rate: ____%	Date: January 1, _____	Date: ________ __, 20__	CUSIP: ______

Registered Owner:

Principal Amount: DOLLARS

KNOW ALL PERSONS BY THESE PRESENTS that the Village of Park Forest, Cook and Will Counties, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the "*Village*"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on January l and July 1 of each year, commencing __________, 20__, until said Principal Amount is paid or duly provided for, except as the hereinafter stated provisions for redemption may and shall become applicable hereto. The principal of on this Bond is payable in lawful money of the United States of America upon presentation hereof at the office maintained for the purpose by _____________, __________, Illinois, as paying agent (the "*Paying Agent*"). Payment of interest shall be made to the

Registered Owner hereof as shown on the registration books of the Village maintained by __________________, ___________, Illinois, as bond registrar (the *"Bond Registrar"*), at the close of business on the applicable Record Date (the *"Record Date"*). The Record Date shall be the 15th day of the month next preceding any regularly scheduled interest payment date and 15 days prior to any interest payment date occasioned by a redemption of Bonds on other than a regularly scheduled interest payment date. Interest shall be paid by check or draft of the Paying Agent, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Bond Registrar, or as otherwise agreed with the Depository for so long as this Bond shall remain in book-entry only form.

Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the Village, represented by the Bonds, and including all other indebtedness of the Village, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the Village sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

IN WITNESS WHEREOF the Village of Park Forest, Cook and Will Counties, Illinois, by its Mayor and Board of Trustees, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its Village Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

____
Mayor, Village of Park Forest
Cook and Will Counties, Illinois

ATTEST:

____
Village Clerk, Village of Park Forest
Cook and Will Counties, Illinois

[SEAL]

Date of Authentication: ____________, ____

CERTIFICATE
OF
AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Refunding Bonds, Series 2012_, having a Dated Date of ______ __, 20__, of the Village of Park Forest, Cook and Will Counties, Illinois.

____________________,
as Bond Registrar

By____________________________________
Authorized Officer

Bond Registrar and Paying Agent:
____________________,
__________, Illinois

[Form of Bond - Reverse Side]

This bond is one of a series of bonds (the *"Bonds"*) in the aggregate principal amount of not to exceed $__,___,000 issued by the Village for the purpose of paying the costs of the Refunding and of paying expenses incidental thereto, all as described and defined in the ordinance authorizing the Bonds as adopted by the Mayor and Board of Trustees of the Village on September 10, 2012 (as supplemented by the Bond Order executed in connection with the sale of the Bonds, the *"Ordinance"*), pursuant to and in all respects in compliance with the applicable provisions of Section 6 of Article VII of the 1970 Constitution of the State of Illinois and Divisions 4 of Article 8 and 74.4 of Article 11 of the Illinois Municipal Code, as supplemented and amended, and specifically as supplemented by the Omnibus Bond Acts, as amended (collectively, the *"Act"*), and with the Ordinance, which has been duly passed by the Mayor and Board of Trustees, signed by the Mayor, and published, in all respects as by law required. The principal of and interest on the Bonds are payable from unlimited ad valorem taxes duly levied by the Village on all of the taxable real property in the Village (the *"Full Faith and Credit Taxes"*). [The Bonds are further secured by, ratably and equally with any outstanding General Obligation Bonds, Series 2001, and General Obligation Refunding Bonds, Series 2008A, of the Village (i) the ad valorem taxes, if any, arising from the tax levies upon taxable real property in the Downtown Tax Increment Redevelopment Project Area heretofore established by the Village (the *"Redevelopment Project Area"*) by any and all taxing districts having the power to tax real property in the Redevelopment Project Area, which taxes are attributable to the increase in the then current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the Initial Equalized Assessed Value of each such piece of property, all as determined by the County

Clerk of The County of Cook, Illinois, in accord with Section 11-74.4-9 of the Tax Increment Allocation Redevelopment Act, as supplemented and amended (the *"TIF Act"*), and specifically including any successor or replacement ad valorem, sales or other taxes imposed by the Village or the State (the *"Incremental Property Taxes"*), and (ii) funds on deposit in and to the credit of the special tax allocation fund heretofore created by the Village in connection with its designation of the Redevelopment Project Area, all as more fully provided in the Ordinance. The Full Faith and Credit Taxes and the Incremental Property Taxes are hereinafter collectively referred to as the *"Pledged Taxes"*.]

For the prompt payment of this Bond, both principal and interest, as aforesaid, at maturity, the Full Faith and Credit Taxes, including the full faith and credit of the Village [and the Incremental Property Taxes additionally,] are hereby irrevocably pledged. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE VILLAGE WITHIN ANY CONSTITUTIONAL OR STATUTORY LIMITATION. [THE BONDS ARE SPECIFICALLY ISSUED, AND THE TIF REFUNDING IS SPECIFICALLY UNDERTAKEN, PURSUANT TO AND IN ACCORDANCE WITH AND IN RELIANCE UPON THE PROVISIONS OF THE TIF ACT.]

[The Bonds coming due on January 1, 20__, are term bonds and are subject to mandatory redemption prior to maturity in the amounts and on the dates as provided in the Ordinance. The Bonds are also subject to redemption prior to maturity on January 1, 20__, or any date thereafter, at a redemption price of par plus accrued interest and upon the terms and as otherwise provided in the Ordinance.]

This Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Ordinance. Upon surrender for transfer or exchange of this Bond at the office maintained for the purpose by the Bond Registrar in __________, Illinois, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the Registered Owner or an attorney for such owner duly authorized in writing, the Village shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees or, in the case of an exchange, the Registered Owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Village, the Bond Registrar and the Paying Agent may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the Village, the Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

THIS BOND IS A "QUALIFIED TAX-EXEMPT OBLIGATION" PURSUANT TO SECTION 265(B)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED.

INSURANCE LEGEND

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto ____________________

____

____

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint ________________________

____

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: ______________________________ ______________________________

Signature guaranteed: ______________________________

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 10. Tax Levy; Security for Bonds; Abatement of Full Faith and Credit Taxes. (a) *Tax Levy.* For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all of the taxable property within the Village, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose; and there are hereby levied on all of the taxable property in the Village, in addition to all other taxes, the direct annual taxes in the amounts and for the year as shall be provided in the relevant Bond Order (the *"Full Faith and Credit Taxes"*), *provided, however,* that the Full Faith and Credit Taxes levied for any one Tax Year shall not exceed (A) for the Series 2012A Bonds, the sum of $350,000, and (B) for the Series 2012B Bonds shall not exceed the sum of $355,000.

Interest or principal coming due at any time when there are insufficient funds on hand from the Full Faith and Credit Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Full Faith and Credit Taxes herein levied; and when the Full Faith and Credit Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The Village covenants and agrees with the Purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the Village will take no action or fail to take any action which action or failure to act in any way would adversely affect the ability of the Village to levy and collect the foregoing tax levy. The Village and its officers will comply with all present and future applicable laws in order to assure that the Full Faith and Credit Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

(b) *Security.* The Village hereby irrevocably pledges the Full Faith and Credit Taxes to the payment of the Bonds. The Bonds, together with the interest thereon, are payable from collections of the Full Faith and Credit Taxes and the amounts on deposit in the various funds and accounts as provided herein, and are secured by the full faith, credit and resources of the Village and the Village's power to levy the Full Faith and Credit Taxes pursuant to the Act. The Village hereby further irrevocably pledges the Incremental Property Taxes to the payment of the debt service on the 2012A Bonds, it being hereby expressly covenanted and warranted that no portion of said Incremental Property Taxes will be used by the Village to pay any costs other than as authorized by and provided in the TIF Act or to abate any portion of the Full Faith and Credit Taxes not levied to pay the principal of and interest on the 2012A Bonds.

(c) *Abatement of Full Faith and Credit Taxes.* Whenever and only when other funds from any lawful source, including, specifically for the 2012A Bonds, the Incremental Property Taxes, are made available for the purpose of paying any principal of or interest on the Bonds, so as to enable the abatement of the Full Faith and Credit Taxes levied herein for the payment of same, the Corporate Authorities shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the Full Faith and Credit Taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating the Full Faith and Credit Taxes may then be filed with the County Clerks in a timely manner to effect such abatement. It is hereby expressly found and determined that a portion of the Refunded Bonds was issued to refund bonds theretofore issued in accordance with the provisions of the TIF Act and that Incremental Property Taxes may therefore lawfully and properly be used by the Village to effect such abatement of that portion of the Full Faith and Credit Taxes levied for the payment of Bonds issued to pay the costs of the TIF Refunding.

Section 11. Filing with County Clerks. Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the Village Clerk of the Village, shall be filed with the County Clerks; and said County Clerks shall in and for each of the years as provided in the Bond Order ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied in each of said years; and said County Clerks shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the Village for general corporate purposes of the Village; and in said years such annual tax shall be levied and collected by and for and on behalf of the Village in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes.

Section 12. Sale of Bonds. The Designated Officers are hereby authorized to proceed, without any further authorization or direction whatsoever from the Corporate Authorities to sell and deliver the Bonds, in one or more Series, upon the terms as prescribed in this Section, pursuant to one or more Bond Orders. Each Series of Bonds shall be sold and delivered to the Purchasers at the Purchase Price. Such sale shall be made upon the advice (in the form of a written certificate or report) of the Purchasers, that the net interest cost rate on such series of Bonds, calculated in accordance with customary market practice, does not exceed five percent (5.00%) and that the terms of the Bonds are fair and reasonable in view of current conditions in the bond markets. Nothing in this Section shall require the Designated Officers to sell any of the Bonds if in their judgment, aided by the Purchasers, the conditions in the bond markets shall have deteriorated from the time of adoption thereof or the sale of all or any portion of the Bonds shall for some other reason not be deemed advisable, but the Designated Officers shall have the authority to sell the Bonds in any event so long as the limitations set forth in this Ordinance and the conditions of this Section shall have been met. As a further exercise of this authority, the Designated Officers may sell the Bonds in any number of Series; and, in such event, shall be authorized to change the name of the Bonds for each such Series so that such series may properly be identified separately. Further, in such event, the provisions for registration, redemption and exchange of Bonds shall be read as applying to Bonds only of each Series, respectively, and not as between Series. Upon the sale of the Bonds or any Series of the Bonds, the Designated Officers and any other officers of the Village as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the Bond Order, Preliminary Official Statement, Official Statement, Bond Purchase Contract (as hereinafter defined), a tax exemption certificate and agreement as prepared by Bond Counsel (a *"Tax Certificate"*), and closing documents. The Designated Officers must find and determine in each Bond Order that no person holding any office of the Village either by election or appointment, is in any manner financially interested either directly, in his or her own name, or indirectly in the name of any other person, association, trust or corporation in said Bond Purchase Contract with the Purchasers for the purchase of the relevant Series of Bonds. The distribution of the Preliminary Official Statement relating to the Bonds is hereby in all respects authorized and approved, and the proposed use by the Purchasers of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is hereby approved. The Designated Officers shall execute a bond purchase contract for the sale of the Bonds to the Purchasers (the *"Bond Purchase Contract"*) in the form approved by the attorney for the Village. Upon the sale of any Series of Bonds, the Designated Officers shall prepare a related Bond Order, which shall include the pertinent details of sale as provided herein, and such shall be entered into the records of the Village and made available to the Corporate Authorities at the next public meeting thereof. The Designated Officers shall also file with the County Clerks the Bond Order or like document including a statement of taxes. The authority granted in this

Ordinance to the Designated Officers to sell Bonds as provided herein shall commence on October 1, 2012, and shall expire on April 1, 2013.

The Designated Officers are hereby authorized to take any action as may be required on the part of the Village to consummate the transactions contemplated by the Purchase Contract, this Ordinance, said Preliminary Official Statement, said final Official Statement, the Tax Certificate and the Bonds.

Section 13. Creation of Funds and Appropriations.

A. There is hereby created the *"General Obligation Refunding Bonds, Series 2012, Bond Fund,"* (the *"Bond Fund"*), which shall be the fund for the payment of principal of and interest on the Bonds. The Paying Agent is hereby expressly authorized to create a separate account within the Bond Fund for each Series of Bonds as necessary.

B. Subject to the hereinafter stated provisions of Subparagraph D of this Section, accrued interest and premium, if any, received upon the sale of the Bonds, shall be deposited into the Bond Fund. The Full Faith and Credit Taxes shall either be deposited into the Bond Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to such Bond Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Full Faith and Credit Taxes. Interest income or investment profit earned in the Bond Fund shall be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the Corporate Authorities, transferred to such other fund as may be determined. The Village hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Full Faith and Credit Taxes for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the Corporate Authorities to transfer certain interest income or investment profit earned in the Bond Fund to other funds of the Village, as described in the preceding sentence.

C. The amount necessary from the proceeds of the Bonds shall be deposited into a separate fund, hereby created, designated the *"Expense Fund"* to be used to pay expenses of issuance of the Bonds. Disbursements from such fund shall be made by the Purchaser upon the delivery of the Bonds or shall thereafter be made by the Treasurer from time to time as necessary with no further official action of the Corporate Authorities. Any amounts remaining in the Expense Fund six months after the delivery of the Bonds shall be transferred to the Bond Fund and used to pay first interest coming due on the Bonds.

D. The sum of the remaining principal proceeds of the Bonds and the portion of accrued interest thereon as is necessary, together with such money in the debt service funds for the Refunded Bonds as may be advisable for the purpose, shall be used to provide for the Refunding, including payment of such expenses as may be designated, pursuant to the provisions of one or more Escrow Agreements with such Escrow Agent or Escrow Agents as shall be designated, all in accordance with the provisions of an Escrow Agreement, substantially in the customary form as provided by Bond Counsel, approved by the Village attorney and heretofore entered into by the Village in connection with refunding bond transactions and hereby approved; the officers appearing signatory to each such Escrow Agreement are hereby authorized and directed to execute same, their execution to constitute conclusive proof of action in accordance with this Ordinance, and approval of all completions or revisions necessary or appropriate to effect the Refunding.

Section 14. Special Tax Allocation Fund and Accounts. There is hereby continued the heretofore created special fund of the Village, to be held by the Village except as hereinafter expressly provided, which fund shall be held separate and apart from all other funds and accounts of the Village and shall be known as the *"1997 Downtown Tax Increment Redevelopment Project Area Special Tax Allocation Fund"* (the *"TIF Fund"*). All of the Incremental Property Taxes and any other revenues, from any source whatsoever, designated to pay principal of, interest on and premium, if any, on the 2012A Bonds shall be set aside as collected and be remitted by the Treasurer for deposit in the TIF Fund, which is a trust fund established for the purpose of carrying out the covenants, terms and conditions imposed upon the Village by this Ordinance. The 2012A Bonds are secured, ratably and equally with any outstanding General Obligation Bonds, Series 2001, and General Obligation Refunding Bonds, Series 2008A, of the Village, by a pledge of all of the moneys on deposit in the TIF Fund, and such pledge is irrevocable until the obligations of the Village are discharged under this Ordinance.

As provided in the Act, the Incremental Property Taxes are to be paid to the Treasurer by the officers who collect or receive the Incremental Property Taxes. Whenever the Treasurer receives any of the Incremental Property Taxes, he or she shall promptly deposit into the TIF Fund. The moneys on deposit in the TIF Fund shall be used by the Village and the Paying Agent solely and only for the purpose of carrying out the terms and conditions of this Ordinance as permitted under the TIF Act and shall be deposited as hereinafter provided to the separate accounts hereby created within the TIF Fund to be known as the *"Principal and Interest Account"*, the *"Reserve and Redemption Account"*, and the *"General Account"*. As moneys are deposited by the Treasurer into the TIF Fund, without any further official action or direction he or she shall credit to and deposit the same in the following accounts, in the order in which hereinafter mentioned, as follows:

(a) *The Principal and Interest Account*. The Treasurer shall credit to and immediately transfer into the Principal and Interest Account all of the Incremental Property Taxes. Not later than ten days prior to each Principal Payment Date on the Bonds, the Treasurer shall conduct an accounting (an *"Accounting"*) to determine (the amount of Pledged Taxes necessary to pay the Principal Requirement and the Interest Requirement of the 2012A Bonds for the next succeeding Bond Year. Each Accounting shall set forth the aggregate amount of Incremental Property Taxes collected in the current Tax Year and deposited to date by the Treasurer into the Principal and Interest Account. Each Accounting shall be promptly memorialized in writing and transmitted to the Corporate Authorities to enable the abatement of a portion of the Full Faith and Credit Taxes as hereinabove provided.

If an Accounting demonstrates that there are funds in the Principal and Interest Account in excess of the amount necessary to pay such Principal Requirement and such Interest Requirement the Treasurer shall first transfer such excess funds to the Reserve and Redemption Account described below. Except as hereinafter provided, moneys to the credit of the Principal and Interest Account shall be used solely and only for the purpose of paying principal of and interest and applicable premium on the 2012A Bonds as the same become due at Stated Maturity or upon mandatory redemption.

(b) *The Reserve and Redemption Account*. The Treasurer shall next determine the balance to the credit of and on deposit in the Reserve and Redemption Account. Until such credit balance is equal to the Debt Service Reserve Requirement, the Treasurer shall next credit the balance of the Incremental Property Taxes to the Reserve and Redemption Account until such credit balance equals the Debt Service Reserve Requirement. Thereafter, no such payments shall be made into said Account except that when any money is paid out of said Account annual payments of Incremental Property Taxes shall be resumed and continued until said Account has been restored to an aggregate amount equal to the Debt Service Reserve Requirement. Moneys on deposit in the Reserve and Redemption Account shall be transferred by the Treasurer, without further order or direction of the Corporate Authorities, to the Principal and Interest Account as may be necessary from time to time to prevent or remedy a default in the payment of interest or premium, if any, on or principal of the Outstanding 2012A Bonds. Whenever such a transfer is made to prevent or remedy a default, the Treasurer shall promptly give written notice thereof to the Corporate Authorities.

Moneys on deposit in said Account may be used to pay principal of and interest and premium, if any, on the Outstanding 2012A Bonds on the last Stated Maturity thereof.

Whenever the Treasurer has credited to and deposited in the Reserve and Redemption Account an amount of Pledged Taxes sufficient to meet the Debt Service Reserve Requirement, the Treasurer shall then transfer remaining Incremental Property Taxes to the credit of the TIF Fund into the following account.

(c) *The General Account*. All moneys remaining in the TIF Fund, after crediting the required amounts to the respective accounts hereinabove provided for, shall be transferred by the Treasurer for credit to the General Account. At any time and from time to time as necessary the Treasurer shall transfer any moneys on deposit in the General Account to the TIF Fund in order to remedy any deficiencies in any prior accounts in the TIF Fund. Except as hereinbefore provided in this subsection (c), moneys on deposit in the General Account shall be used first to remedy any such deficiency and then for one or more of the following purposes, without any priority among them:

(i) for the purpose of paying any costs of the TIF Project; or

(ii) for the purpose of redeeming the 2012A Bonds, if any, of the Outstanding Bonds; or

(iii) for the purpose of purchasing the 2012A Bonds, if any, of the Outstanding Bonds at a price not in excess of par and accrued interest and applicable redemption premium to the date of purchase; or

(iv) for the purpose of creating such additional reserves as the Treasurer may determine to be reasonably necessary, without further action of the Corporate Authorities; or

(v) for the purpose of reimbursing the Village for any transfers of general corporate funds of the Village to the TIF Fund; or

(vi) for the purpose of distributing such funds to the taxing districts or municipal corporations having the power to tax real property in the Redevelopment Project Area in accordance with the TIF Act; or

(vii) for any other purpose set forth in the Downtown Tax Increment Redevelopment Plan heretofore approved by the Corporate Authorities for the Project and as may be authorized under the TIF Act.

(d) *The Rebate Account*. There is hereby created a separate and special account within the TIF Fund known as the *"2012 Rebate Account,"* into which there shall be deposited as directed by the Village and as necessary investment earnings in the Principal and Interest Account and the Reserve and Redemption Account to the extent required so as to maintain the tax-exempt status of interest on any Bonds. All rebates, special impositions or taxes for such purpose payable to the United States of America (Internal Revenue Service) shall be payable from the Rebate Account.

(e) *Investments*. The moneys on deposit in the TIF Fund and the various accounts therein may be invested from time to time in Qualified Investments. Any such investments may be sold from time to time as moneys may be needed for the purposes for which the TIF Fund and such accounts have been created. In addition, the Treasurer shall (with or without direction from the Corporate Authorities) sell such investments when necessary to remedy any deficiency in the TIF Fund and such accounts. Any earnings or losses on such investments in the Reserve and Redemption Account shall ***first*** be attributed as directed by the Village to the 2012 Rebate Account to the extent required, ***second,*** be retained in the Reserve and Redemption Account so long as the credit balance in said Account is less than the Debt Service Reserve Requirement, and

finally, be transferred to the TIF Fund. All other investment earnings shall be attributed to the fund or account for which the investment was made.

(f) *Application of Excess in Certain Accounts*. As of any Accounting, the amount of money on deposit in and to the credit of the Principal and Interest Account or the Reserve and Redemption Account which is in excess of the then current Principal Requirement, Interest Requirement or the Debt Service Reserve Requirement, respectively, shall be transferred by the Treasurer to the TIF Fund.

Section 15. General Covenants. The Village covenants and agrees with the Purchasers and with the registered owners of the Bonds that so long as any Bonds remain outstanding and unpaid:

(a) The Village will punctually pay or cause to be paid from the TIF Fund the principal of, interest on and premium, if any, to become due in respect of the 2012A Bonds in strict conformity with the terms of the Bonds and this Ordinance, and it will faithfully observe and perform all of the conditions, covenants and requirements thereof.

(b) The Village will pay and discharge, or cause to be paid and discharged, from the TIF Fund any and all lawful claims which, if unpaid, might become a lien or charge upon the Incremental Property Taxes, or any part thereof, or upon any funds in the hands of the Treasurer, or which might impair the security of the 2012A Bonds. Nothing herein contained shall require the Village to make any such payment so long as the Village in good faith shall contest the validity of said claims.

(c) The Village will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the Village, in which complete and correct entries shall be made of all transactions relating to the Project and to the Incremental Property Taxes. Such books of record and accounts shall at all times during business hours be subject to the inspection of the holders of not less than ten per cent (10%) of the aggregate principal amount of the 2012A Bonds then outstanding, or their representatives authorized in writing.

For so long as may be required under the TIF Act, the Village will prepare or cause the preparation of complete financial statements with respect to the preceding fiscal year showing the Incremental Property Taxes received, all disbursements from the funds and accounts created by this Ordinance and the financial condition of the TIF Project, including the balances in all funds and accounts relating to the 2012A Bonds and the Redevelopment Project Area as of the end of such fiscal year, which statements shall be accompanied by a certificate or opinion in writing of an independent certified public accountant.

(d) The Village will preserve and protect the security of the Bonds and the rights of the registered owners of the Bonds and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the Village, the Bonds shall be incontestable by the Village.

(e) The Village will continue to implement the TIF Project with all practicable dispatch in accord with its stated objectives and purposes in conformity with the Redevelopment Plan heretofore approved by the Corporate Authorities for the Redevelopment Project Area and with the Act.

(f) The Village will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention of, or to facilitate the performance of, this Ordinance, and for the better assuring and confirming unto the registered owners of the Bonds of the rights and benefits provided in this Ordinance.

(g) So long as any Bonds remain outstanding, the Village will take no action, nor will the Village omit to take any action, which act or omission will in any way adversely affect the ability of the Village to collect the Pledged Taxes, and the Village and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes will be collected and deposited in the funds and accounts as herein provided.

(h) The Village has disclosed and will disclose to Bond Counsel the terms of all redevelopment agreements entered into by the Village and relating to the Project and the Redevelopment Project Area.

Section 16. Not Private Activity Bonds. None of the Bonds is a *"private activity bond"* as defined in Section 141(a) of the Code. In support of such conclusion, the Village certifies, represents and covenants as follows:

A. No direct or indirect payments are to be made on any Bond, or were made on any Refunded Bond or any obligation refunded with the proceeds of the Refunded Bonds, with respect to any Private Business Use by any person other than a state or local governmental unit.

B. None of the proceeds of the Bonds is to be used, and none of the proceeds of the Refunded Bonds or of any obligations refunded with the proceeds of the Refunded

Bonds was used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

C. The Village will disclose the terms and conditions of all agreements relating to the use by any nongovernmental person of any property financed with the proceeds of the Bonds, the Refunded Bonds, or any obligations refunded with the proceeds of the Refunded Bonds, so as to assure the tax-exempt status of the Bonds and the Refunded Bonds.

Section 17. General Arbitrage Covenants. The Village certifies and covenants with the Purchasers and registered owners of the Bonds from time to time outstanding that moneys on deposit in any fund or account in connection with such Bonds, whether or not such moneys were derived from the proceeds of the sale of such Bonds or from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

Section 18. Registered Form. The Village recognizes that Section 149 of the Code requires the Bonds to be issued and to remain in fully registered form in order to be and remain tax-exempt. In this connection, the Village agrees that it will not take any action to permit the Bonds to be issued in, or converted into, bearer or coupon form.

Section 19. Further Tax Covenant; Designation of Issue. (a) *Covenants.* The Village agrees to comply with all provisions of the Code which, if not complied with by the Village, would cause the Bonds not to be tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the Village agrees: (a) through its officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by Bond Counsel; (c) to consult with Bond Counsel and to comply with such advice as may be given; (d) to file such forms, statements and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Village in such compliance.

(b) Designation of Issue. Each Bond is hereby designated as a "qualified tax-exempt obligation" for the purposes and within the meaning of Section 265(b)(3) of the Code. In connection therewith the Village hereby affirms that: (i) none of such Bonds will be at any time a "private activity bond" (as defined in Section 141 of the Code); (ii) in calendar year 2012, the Village has not issued any Tax-exempt obligations of any kind nor have any other Tax-exempt obligations of any kind been issued on behalf of the Village; (iii) during calendar year 2012, the Village will not issue or cause to have issued on behalf of the Village more than $10,000,000 of Tax-exempt obligations, including the Bonds; (iv) not more than $10,000,000 of obligations of any kind (including the Bonds) issued by or on behalf of the Village during calendar year 2012 will be designated for purposes of Section 265(b)(3) of the Code; and (v) the Village is not subject to control by any entity, and there are no entities subject to control by the Village.

Section 20. Opinion of Counsel Exception. The Village reserves the right to use or invest moneys in connection with the Bonds in any manner, notwithstanding the tax-related covenants set forth in (Sections 16 through 19 of) this Ordinance, provided it shall first have received an opinion from Bond Counsel to the effect that use or investment of such moneys as contemplated is valid and proper under applicable law and this Ordinance and, further, will not adversely affect the Tax-exempt status of the Bonds.

Section 21. Rights and Duties of Bond Registrar and Paying Agent. If requested by the Bond Registrar or the Paying Agent, or both, any officer of the Village is authorized to execute standard forms of agreements between the Village and the Bond Registrar or Paying Agent with respect to the obligations and duties of the Bond Registrar or Paying Agent hereunder. In addition to the terms of such agreements and subject to modification thereby, the Bond Registrar and Paying Agent by acceptance of duties hereunder agree:

(a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein;

(b) as to the Bond Registrar, to maintain a list of Bondholders as set forth herein and to furnish such list to the Village upon request, but otherwise to keep such list confidential to the extent permitted by law;

(c) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or upon redemption or submitted for exchange or transfer;

(d) as to the Bond Registrar, to furnish the Village at least annually a certificate with respect to Bonds cancelled and/or destroyed; and

(e) to furnish the Village at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds; and

(f) to perform its duties with respect to the Policy as incorporated herein.

The Village Clerk of the Village is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and the Paying Agent.

Section 22. Taxes Previously Levied. The taxes previously levied for the years 2012 and thereafter to pay principal of and interest on the Refunded Bonds, to the extent such principal and interest is provided for from the proceeds of the Bonds or from the Escrow Account under the Escrow Agreement as hereinabove described, shall be abated. Taxes levied for the year 2011 (collectible in 2012) shall be used in the Escrow Account to effectuate the Refunding or shall be deposited into the Bond Fund and used to pay first interest coming due on the Bonds. The filing by any Designated Officer of a certificate of abatement with the County Clerks shall constitute authority and direction for said County Clerks to make such abatement.

Section 23. Defeasance. Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Paying Agent or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes hereunder and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the tax-exempt status of the Bonds; payment, registration, transfer, and exchange; and with respect to the Bond Insurer, are expressly continued for all Bonds whether Outstanding Bonds or not.

Section 24. Publication of Ordinance. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Corporate Authorities.

Section 25. Superseder and Effective Date. All ordinances, resolutions and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

Section 26. Insurance. In the event the Village or the Purchaser obtains a municipal bond or financial guaranty insurance policy for any of the Bonds, the commitment for such insurance shall be attached to the relevant Bond Order and shall also be attached hereto as *Exhibit A* and shall also be fully incorporated herein by this reference as if set out at this Section in full. The Designated Officers are further expressly authorized to execute any such commitment on behalf of the Village without further official action of the Mayor and Board of Trustees. It is hereby expressly covenanted and agreed that notwithstanding any provision of this Ordinance to the contrary, in the event of any conflict between any provision of this Ordinance and such commitment, the commitment, as incorporated herein, shall control.

Section 27. Additional Bonds. The Village hereby expressly reserves the right to issue Additional Bonds without limit.

Section 28. Continuing Disclosure Undertaking. Any Designated Officer is hereby authorized to execute and deliver one or more Continuing Disclosure Undertakings, in substantially the form provided by Bond Counsel and as heretofore entered into by the Village for its previous financings, to effect compliance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. When such Continuing Disclosure Undertaking is executed and delivered on behalf of the Village, it will be binding on the Village and the officers, agents, and employees of the Village, and the same are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Continuing Disclosure Undertaking as executed and delivered. Notwithstanding any other provisions hereof, the sole remedies for failure to comply with such Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause to the Village to comply with its obligations thereunder.

AYES: ______________________________

____

NAYS: ______________________________

ABSENT: ______________________________

ADOPTED: September 10, 2012

WITNESS: September 10, 2012

____

Mayor, Village of Park Forest
Cook and Will Counties, Illinois

Recorded In Village Records: September 10, 2012.

Published in pamphlet form by authority of the Corporate Authorities at _____ __.m. on ____________, 2012.

ATTEST:

____

Village Clerk, Village of Park Forest
Cook and Will Counties, Illinois

EXHIBIT A

COMMITMENT, IF ANY

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATION OF MINUTES AND ORDINANCE - ADOPTION

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Park Forest, Cook and Will Counties, Illinois (the *"Village"*), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and of the Mayor and Board of Trustees (the *"Corporate Authorities"*) thereof.

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Corporate Authorities held on the 10th day of September, 2012, insofar as the same relates to the adoption of an ordinance, numbered _______________, entitled:

> AN ORDINANCE providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds.

a true, correct and complete copy of which said ordinance as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Corporate Authorities on the adoption of said ordinance were taken openly; that the vote on the adoption of said ordinance was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio or television stations and other news media requesting such notice; that an agenda for said meeting was posted on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and not less than 48 hours in advance of holding said meeting at the location where said meeting was held and at the principal office of the Corporate Authorities; that said agenda remained continuously posted until said meeting; that said agenda contained or made specific reference to said ordinance; that a true, correct and complete copy of said agenda as so posted is attached hereto; and that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the provisions of said Act and said Code, except as validly superseded by the home rule authorities of the Village, and with all of the procedural rules of the Corporate Authorities in the adoption of said ordinance.

IN WITNESS WHEREOF I hereunto affix my official signature and the seal of the Village this 10th day of September, 2012.

____

Village Clerk

[SEAL] **VILLAGE CLERK TO ATTACH AGENDA**

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Park Forest, Cook and Will Counties, Illinois (the *"Village"*), and as such official I am the keeper of the official journal of proceedings, books, records, minutes, and files of the Village and of the Mayor and Board of Trustees (the *"Corporate Authorities"*) thereof.

I do further certify that at _____ __.m. on the ____ day of ____________, 2012, there was published in pamphlet form, by authority of the Corporate Authorities, a true, correct and complete copy of Ordinance Number ______ of the Village providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village and that said ordinance as so published was on said date readily available for public inspection and distribution, in sufficient number to meet the needs of the general public, at my office as Village Clerk located in the Village.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the Village this ____ day of ____________, 2012.

____
Village Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

VIDEO/AUDIO ATTENDANCE CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Park Forest, Cook and Will Counties, Illinois (the "*Village*"), and as such official I do further certify as follows:

1. That at the meeting of the Mayor and Board of Trustees of the Village (the "*Corporate Authorities*") on the 10th day of September, 2012 (the "*Meeting*"), _________________ ___________________ attended the Meeting by video or audio conference.

2. That said member(s) of the Corporate Authorities was/were prevented from physically attending the Meeting because of the reason(s) as follows:

MEMBER	REASON[1]

3. That said member(s) of the Corporate Authorities notified me before the Meeting that he/she/they wished to attend the Meeting by video or audio conference.

4. That attached hereto as *Exhibit 1* is a true, correct and complete copy of the rules adopted by the Corporate Authorities for allowing a member of the Corporate Authorities to attend a meeting of the Corporate Authorities by video or audio conference.

5. That the Meeting was duly called, noticed and held in strict compliance with all of the provisions of the Open Meetings Act of the State of Illinois, as amended, and the ordinances, resolutions, rules, regulations and proceedings of the Corporate Authorities.

[1] Section 7 of the Open Meetings Act of the State of Illinois, as amended, provides the following three reasons a person may be prevented from physically attending a meeting: (i) personal illness or disability; (ii) employment purposes or the business of the public body; or (iii) a family or other emergency.

IN WITNESS WHEREOF, I hereunto affix my official signature and the official corporate seal of the Corporate Authorities, this ____ day of ____________, 2012.

____
Village Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

CERTIFICATE OF FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Cook, Illinois, and as such officer I do hereby certify that on the ____ day of ________________, 2012, there was filed in my office a properly certified copy of Ordinance Number _____, passed by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, on the 10th day of September, 2012 and entitled:

> AN ORDINANCE providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds.

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Cook, Illinois, at Chicago, Illinois, this ____ day of _____________, 2012.

____
County Clerk of The County of Cook, Illinois

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF WILL)

CERTIFICATE OF FILING

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Will, Illinois, and as such officer I do hereby certify that on the ____ day of _____________, 2012 there was filed in my office a properly certified copy of Ordinance Number _____, passed by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, on the 10th day of September, 2012 and entitled:

> AN ORDINANCE providing for the issuance of one or more series of General Obligation Refunding Bonds of the Village of Park Forest, Cook and Will Counties, Illinois, authorizing the execution of one or more bond orders and escrow agreements in connection therewith, and providing for the levy and collection of a direct annual tax and the pledge of certain incremental tax revenues for the payment of the principal of and interest on certain of said bonds.

and that the same has been deposited in, and all as appears from, the official files and records of my office.

IN WITNESS WHEREOF I have hereunto affixed my official signature and the seal of The County of Will, Illinois, at Joliet, Illinois, this ____ day of _____________, 2012.

____
County Clerk of The County of Will, Illinois

[SEAL]

$4,305,000*
Village of Park Forest, Illinois
General Obligation Refunding Bonds, Series 2012A
General Obligation Refunding Bonds, Series 2012B

Timetable

Time and Responsibility Schedule*
As of August 1, 2012

Role	Participant	Abbreviation
Issuer	Village of Park Forest	Village
Bond Counsel	Chapman and Cutler	BC
Local Counsel	TBD	LC
Underwriter	Robert W. Baird & Co.	UW
Paying/Escrow Agent	(To Come)	PA

July 2012

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August 2012

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September 2012

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

October 2012

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Status	Week/Date	Task	Responsible Participant(s)
	August 1	Distribute first draft of Bond Ordinance	BC
	Week of August 6	Provide comments to first draft of Bond Ordinance	All
	Week of August 6	Distribute second draft of Preliminary Official Statement ("POS")	UW
	August 13 or 14	Bond Ordinance finalized	BC
	Week of August 13	Comments due on second draft of POS	All
	August 20	First reading of Bond Ordinance	Village
	Week of August 20	Distribute info to Moody's and schedule a conference call	UW
	Week of August 27	Conference call with Moody's Analyst	Village and UW
	September 3	***Labor Day (Markets Closed)***	
	Week of September 3	Receive Moody's Rating	Village
	Week of September 3	Finalize POS	UW
	September 4	Discussion of Bond Ordinance at Rules Meeting	Village
	September 10	Final Reading and adoption of Bond Ordinance	Village
	Week of September 10	Price bonds and sign bond purchase agreement	Village & UW
	October 4	Bond closing	All

*Preliminary subject to change.

Credit Presentation to

Moody's Investors Service

For

Park Forest

Live Grow Discover

August 30, 2012

Participants

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Village of Park Forest

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Table of Contents

Section 1: Opening Remarks

Opening Remarks

- With conservative management and budgeting, the Village's financial position has remained stable through poor economic times.
  - Maintained healthy general fund reserve levels.
  - Effectively managed expenses.

- Several operating revenues have been improving.
  - Property and Sales tax revenues have improved.
  - Charges for services have increased.

- Village leadership has remained stable.
  - Manager form of government and a manager form of government by referendum.
  - Low political and department head turnover.

- The Village is committed to providing a high level of services to its residents.

- Village leadership has focused on community development.

Section 2: Management

Village Management

- The Village is a home rule unit of government.
  - Greater operating and revenue flexibility in taxation, boding and governance.
- Stable political leadership.
  - Mayor has served since 1999.
  - Trustees have served an average of nearly 12 years.
- Stable professional leadership.
  - Village Manager has served the Village for 14 years.
  - Deputy Village Manager/Finance Director has served for 17 years.
- Conservative budgeting and tight expenditure controls.
  - The Village has taken measures to manage operating expenditures.
  - Strategic planning process allows for mid-year budget projections and quarterly reporting to the Board.
- Website has audit, budget and weekly checks issued.
- Long range debt policy establishes limits on debt issuance.
- Strategic planning policy governs long-term financial planning.
- Long range capital plan governs long-term capital planning.

Section 3: Economic Fundamentals

Population Demographics

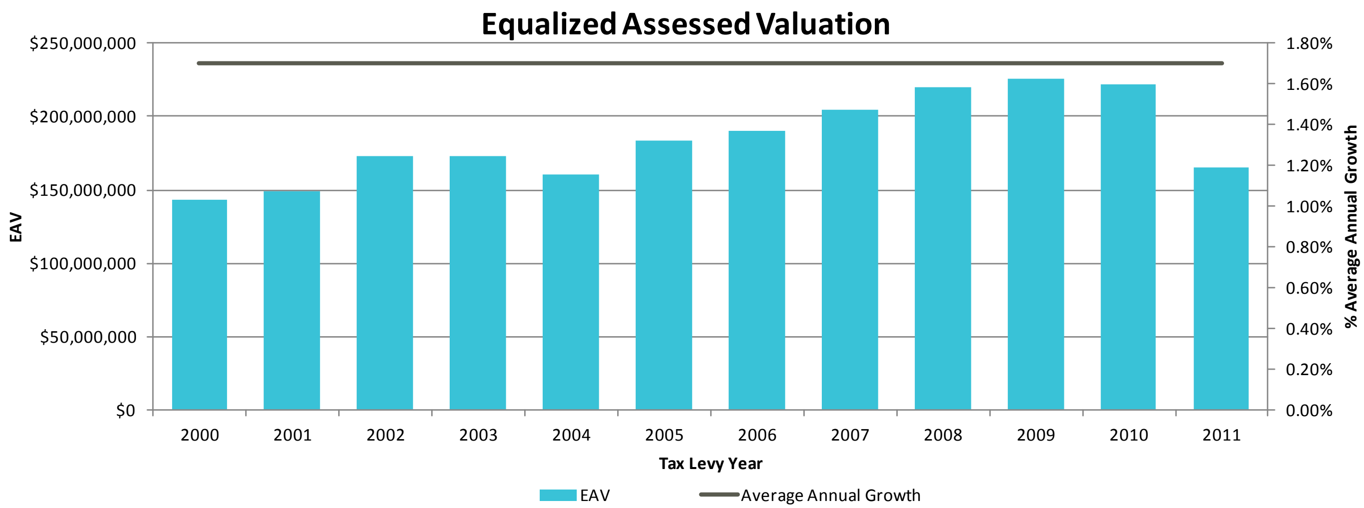
- The Village serves a stable community.
  - 2010 population of 21,975
  - Median age of 37.4 years as of the 2010 Census.

- Resident education levels are in line with state and national levels.
  - 87.6% of the population has a school diploma or higher compared to 86.2% and 85.0% for the state and nation, respectively.
  - 24.4% of the population has a bachelors degree or higher compared to 30.3% and 27.9% for the state and nation, respectively.

- Residents benefit from a number of Village provided services.
  - Fire.
  - Police.
  - Public Works.
  - Health Department that provides home health care and public health services.
  - Community Development.
  - Housing Authority.
  - Economic Development
  - Recreation and Parks including a swimming pool complex and a tennis and health club.

Tax Base and Wealth Levels

- The Village's tax base has grown modestly in the last eleven years.
  - Average annual equalized assessed valuation growth of 1.7% from tax levy year 2000 to 2011.
  - Tax levy year 2011 Market value per capita of $22,549.



- The sharp decline in the tax levy year 2011 EAV occurred predominantly in the Cook County portion of the Village's tax base.
  - Through Cook County's triennial reassessment process, the Village's assessment rate for residential property located in cook county changed from 16% of fair market value to10%.
  - The County's equalization factor declined from 3.3x in 2010 to 2.9706x in 2011 levy tear.
  - In addition, the Village now owns several commercial property held for redevelopment but removed from the tax rolls.

Park Forest
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Tax Base and Wealth Levels (Continued)

- The Village's tax base is primarily residential.
  - 88.8% residential as of the 2010 levy year.
- The tax base has grown and diversified.
  - Top ten taxpayers only represent 15.49% of the total tax base, down from 17.08% in 2011.
  - Eight of the top ten taxpayers in 2001 are still operating in Park Forest, although they may have fallen off of the current top ten list.

2011 Ten Largest Taxpayers*

	2011 EAV	% of Total
Norwood Square**	$8,024,936	4.86%
Autumn Ridge Ltd Partnership	2,889,734	1.75%
Park Forest ILF & SLF	2,487,289	1.51%
Kinzie Assets, LLC	2,270,228	1.37%
Park Forest Co-op IV	1,910,625	1.16%
Ash Street Cooperative	1,893,826	1.15%
Cedarwood Cooperative	1,745,661	1.06%
Park Forest Co-op	1,527,797	0.92%
CVS Pharmacy	1,512,558	0.92%
Metroplex Park Forest	1,330,264	0.81%
Total	$25,592,918	15.49%

2001 Ten Largest Taxpayers*

	2001 EAV	% of Total
Atlantic Ltd Partnership	$6,769,942	4.10%
Norwood Square	5,211,604	3.16%
Cedarwood Cooperative	2,732,486	1.65%
Co-op Area B	2,584,724	1.56%
Park Forest Co-op IV	2,244,719	1.36%
CVS Pharmacy	1,872,488	1.13%
Autumn Ridge Ltd Partnership	1,728,139	1.05%
80 North	1,716,479	1.04%
Metroplex Park Forest	1,679,474	1.02%
Ash Street Cooperative	1,674,600	1.01%
Total	$28,214,655	17.08%

* Ever effort has been made to seek out and report the largest taxpayers. However, some of the taxpayers listed hold multiple parcels and it is possible that some parcels and their valuations have been overlooked.

** The Village is in the process of acquiring this property. Upon acquisition the Village will demolish the structure and offer the land for development. The property is located in a TIF district and no tax revenue has accrued to the general fund from this property.

Income Levels and Home Values

- Resident income levels have improved since 2000.

Income Statistics

	2010 ACS (1)	2000 Census (2)	Variance	% Change
Per Capita Income	$22,123	$21,493	$630	2.93%
Median Family Income	$56,747	$55,801	$946	1.70%

(1) Source: U.S. Census Bureau, 2006-10 American Community Survey.
(2) Source: U.S. Census Bureau, 2000 Census.

- The value of owner-occupied homes has increased since 2000.

Home Values

	2010 ACS (1)	2000 Census (2)	Variance	% Change
% of Homes Valued Less than 100k	40.5%	73.3%	-32.8%	-
% of Homes Valued $100k - $150k	39.0%	22.3%	16.7%	-
% of Homes Valued $150k - $200k	15.5%	2.8%	12.7%	-
% of Homes Valued $200k or more	4.9%	1.6%	3.3%	-
Median Home Value	$111,600	$84,400	$27,200	32.2%

(1) Source: U.S. Census Bureau, 2006-10 American Community Survey.
(2) Source: U.S. Census Bureau, 2000 Census.

Downtown TIF District

- The Downtown TIF District was created in November of 1997 with an initial EAV/frozen value of $3,598,133.
  - The Downtown TIF replaced an earlier TIF District created in 1985 in order to lower the initial EAV and extend the life of the TIF District.
  - 2011 EAV was $8,480,864.
  - The Downtown TIF expires in November of 2020.
- Leasing and development efforts have been successful since the physical redevelopment of the Downtown TIF District.
  - Legacy Square, a 65 unit residential development, was completed in 2008 and produced an increase in incremental taxes by the 2010 fiscal year.
  - Overall, approximately 75% of the main floor space and 88% of the second floor space.
- Located within the TIF are a CVS Pharmacy, Walgreens, Chase Bank, First Midwest Bank, US Bank and an Independent and assisted living facility.

New or Recent Developments

- The Village has been extremely successful in securing grant funds for infrastructure projects.
- Orchard Drive, a $10 million roadway project, is being funded 70% with grant funds and 25% with funds secured from a settlement agreement with Canadian National Railroad. The entire project will cost the Village $550,000.
- Several other smaller roadway projects and a sewer renovation project have received grant funding as well.
- The Village recently completed demolition of a former Marshall Field's building with $930,000 of Community Development Block Grant funds.
- In addition, the Village was just awarded $1.5 million in demolition funds to demolish vacant commercial buildings making the sites more marketable.

Section 4: Financial Fundamentals

Financial Results – General Fund Overview.

- The Village has managed its finances conservatively through the poor economic conditions.
  - General fund revenues have increased 7.86% since the 2008 fiscal year.
  - General fund expenditures are managed effectively.

History of General Fund Revenues/Expenses
Fiscal Year Ended June 30:

	2008	2009	2010	2011	Variance 2008-2011	Percent Change
Revenues:						
Property taxes	$ 8,423,785	$ 8,957,458	$ 9,562,249	$ 10,797,047	$ 2,373,262	28.17%
Other taxes	2,697,877	2,487,570	2,229,461	2,228,223	(469,654)	-17.41%
Licenses, permits and fees	981,417	937,604	1,094,714	1,050,641	69,224	7.05%
Intergovernmental	2,687,591	2,284,947	2,014,200	2,143,825	(543,766)	-20.23%
Charges for services	1,581,425	1,597,654	1,651,808	1,707,816	126,391	7.99%
Fines and forfeits	375,954	425,126	767,619	448,918	72,964	19.41%
Investment income	252,985	98,932	29,889	129,680	(123,305)	-48.74%
Miscellaneous	603,021	492,642	4,982,269	480,716	(122,305)	-20.28%
Total Revenues	$ 17,604,055	$ 17,281,933	$ 22,332,209	$ 18,986,866	$ 1,382,811	7.86%
Expenses:						
Current						
General government	$ 2,996,931	$ 3,064,459	$ 3,190,843	$ 3,145,979	$ 149,048	4.97%
Law enforcement	6,057,541	6,187,799	6,691,616	6,998,883	941,342	15.54%
Fire and emergency	3,032,861	3,219,267	3,382,641	3,599,718	566,857	18.69%
Public health	828,854	753,528	793,854	776,930	(51,924)	-6.26%
Recreation and parks	2,342,880	2,244,024	2,073,007	2,106,956	(235,924)	-10.07%
Public works	695,789	984,367	901,377	801,391	105,602	15.18%
Community development	550,548	532,870	498,022	477,276	(73,272)	-13.31%
Economic development	553,583	399,360	455,691	512,273	(41,310)	-7.46%
Capital outlay	149,921	285,448	229,061	73,862	(76,059)	-50.73%
Total Expenses	$ 17,208,908	$ 17,671,122	$ 18,216,112	$ 18,493,268	$ 1,284,360	7.46%
Operating Income	**$ 395,147**	**$ (389,189)**	**$ 4,116,097**	**$ 493,598**		
Other Sources (Uses)	160,143	(724,112)	373,915	(214,507)		
Change in Fund Balance	$ 555,290	$ (1,113,301)	$ 4,490,012	$ 279,091		
General Fund Balance	**$ 10,086,121**	**$ 8,972,820**	**$ 13,462,832**	**$ 13,741,953**		

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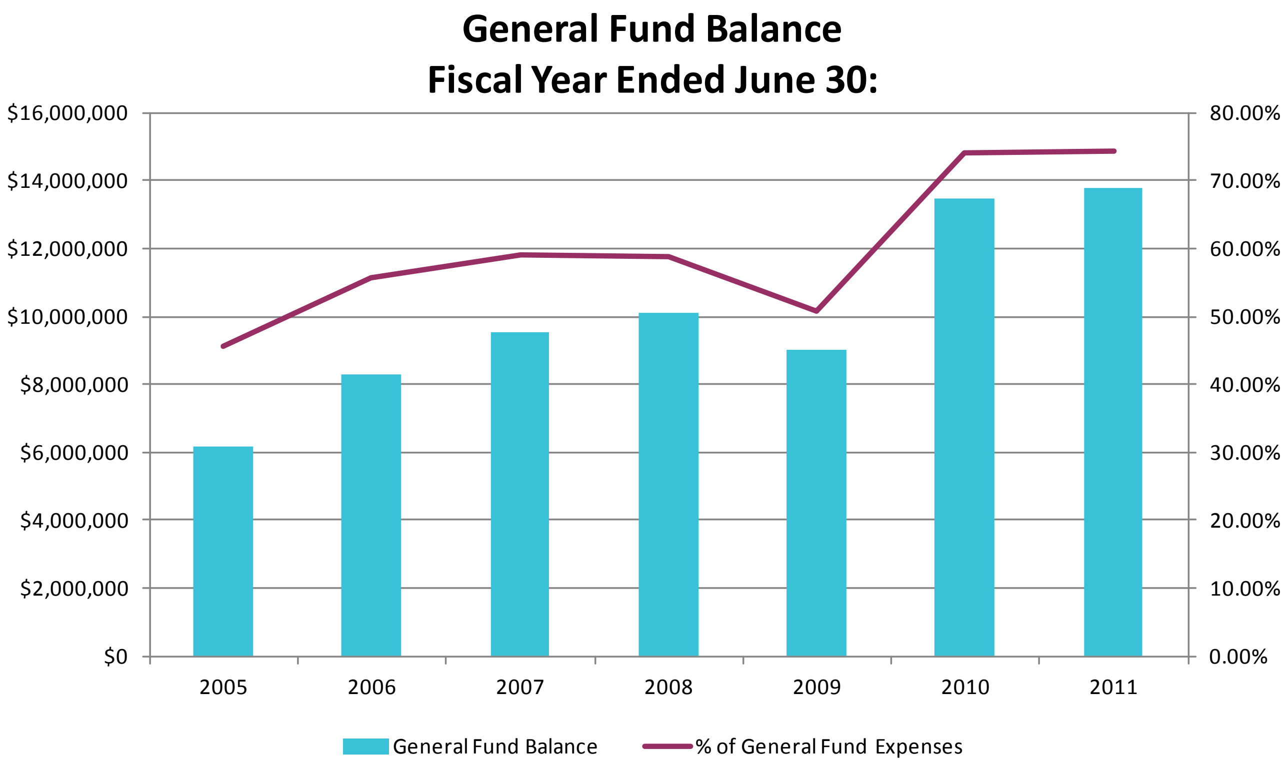
General Fund Balance.

- The Village has maintained a strong general fund balance.
  - Fiscal year 2011 general fund balance equaled a strong 74% of general fund expenditures.
  - Unassigned fiscal year 2011 general fund balance was $7.33 million or 40% of general fund expenditures.



Fiscal year 2012 highlights.

- Increases in Sales Tax, Utility Tax and Income Tax were realized.
- Real Estate Transfer Tax increased 89% indicating increased values and sale of property.
- Vehicle Sticker rates increased, increasing revenue $67,000 or 15%.
- Building Permits increased 46%.
- Overall operations will produce an Operating Income and positive impact on fund balances.

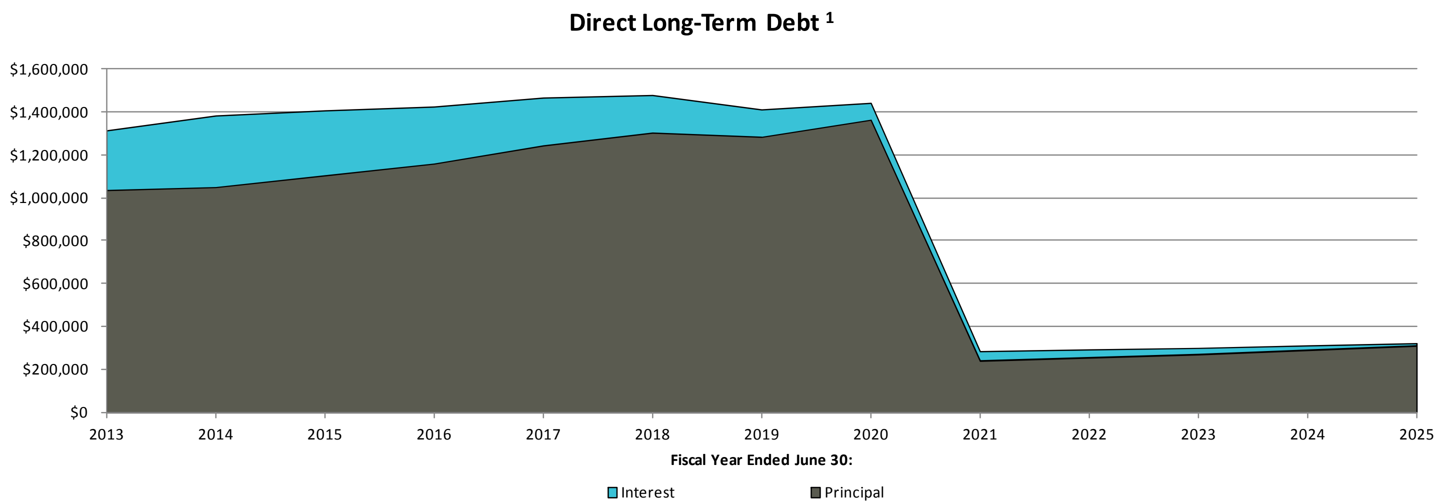
Section 5: Debt Structure

Debt Profile [1]

- The Village's debt statistics are manageable.
  - Estimated Direct debt after the issuance of the Bonds.
    - Direct debt as percent of market value of 2.20%
    - Direct debt per capita of $496.75.
  - Direct and Overlapping Debt after the issuance of the Bonds.
    - Overall net debt per capita of $2,041.73
    - Overall net debt as percent of market value of 9.05%.

- Nearly 75% of the Village's general obligation debt is supported by revenues other than property taxes levied for debt service.

- The Village rapidly amortizes its outstanding debt with 92% being retired within ten years.



Principal Maturities

Fiscal Year Ended June 30	Total Maturities Amount	Cumulative Percent
2013	$1,036,100	9.5%
2014	1,050,000	19.1%
2015	1,105,000	29.2%
2016	1,160,000	39.9%
2017	1,245,000	51.3%
2018	1,305,000	63.2%
2019	1,285,000	75.0%
2020	1,365,000	87.5%
2021	240,000	89.7%
2022	255,000	92.0%
2023	270,000	94.5%
2024	290,000	97.2%
2025	310,000	100.0%
Total	$10,916,100	

1) After the issuance of the Bonds. Preliminary, subject to change.

Section 6: The Bonds

The Bonds

Estimated Par Value:	$4,220,000*
Security:	Unlimited tax general obligation. Series 2012A Bonds are also secured by a pledge of TIF revenues derived from the Downtown TIF District.
Use of Proceeds:	Currently refund the Village's General Obligation Bonds, Series 2001
Expected POS Mailing Date:	Week of September 3.
Expected Bond Sale:	Week of September 10.
Expected Closing:	Week of October 1.
Goals:	The overall goal of the financing is to achieve debt service savings through a current refunding of the Village's 2001 Bonds. The Village is also issuing the bonds in two series in order to shorten a portion of the 2001 Bonds secured by TIF Revenues that extends past the life of the Downtown TIF District. The 2012A Bonds will refund the TIF secured portion of the 2001 Bonds and be structured with a final maturity in 2020.

*Preliminary, subject to change.

Estimated Savings

Series 2012A

Bond Year	Prior 2001 Debt Service (TIF Portion)	Principal (1/1)	Interest (1) (1/1 & 7/1)	Total	Unrefunded Debt Service	DEBT SERVICE SAVINGS
2013	$138,913		$9,794	$9,794	$129,119	***$0***
2014	219,192	$185,000	40,525	225,525		***($6,333)***
2015	228,019	195,000	36,825	231,825		***($3,806)***
2016	236,555	210,000	32,925	242,925		***($6,370)***
2017	246,904	225,000	28,725	253,725		***($6,821)***
2018	256,238	240,000	23,100	263,100		***($6,862)***
2019	267,219	255,000	15,900	270,900		***($3,681)***
2020	277,015	275,000	8,250	283,250		***($6,235)***
2021	53,279					***$53,279***
2022	50,299					***$50,299***
2023	55,044					***$55,044***
2024	56,980					***$56,980***
2025	58,676					***$58,676***
	$2,144,335	$1,585,000	$196,044	$1,781,044	$129,119	***$234,172***

Present Value Savings……………………………………………	***$177,077***
Par Amount of Bonds Refunded…………………………………	***$1,581,619***
Percent Present Value Savings…………………………………	***11.196%***

Series 2012B

Bond Year	Prior 2001 Debt Service (General Fund Portion)	Principal (1/1)	Interest (1) (1/1 & 7/1)	Total	Unrefunded Debt Service	DEBT SERVICE SAVINGS
2013	$130,112		$18,181	$18,181	$111,932	***$0***
2014	254,730	$145,000	75,230	220,230		***$34,500***
2015	262,383	155,000	72,330	227,330		***$35,053***
2016	269,782	170,000	69,230	239,230		***$30,552***
2017	278,753	180,000	65,830	245,830		***$32,923***
2018	286,847	190,000	61,330	251,330		***$35,517***
2019	296,366	210,000	55,630	265,630		***$30,736***
2020	304,855	220,000	49,330	269,330		***$35,525***
2021	314,621	240,000	42,730	282,730		***$31,891***
2022	323,321	255,000	35,530	290,530		***$32,791***
2023	333,276	270,000	27,880	297,880		***$35,396***
2024	343,520	290,000	19,510	309,510		***$34,010***
2025	352,384	310,000	10,230	320,230		***$32,154***
	$3,750,951	$2,635,000	$602,971	$3,237,971	$111,932	***$401,048***

Present Value Savings……………………………………………	***$340,714***
Par Amount of Bonds Refunded…………………………………	***$2,593,381***
Percent Present Value Savings…………………………………	***13.138%***

(1) Assumes estimated current tax exempt interest rates. Preliminary, subject to change.

Section 7: Summary

Summary

- Park Forest is characterized by the following:
  - Strong management and conservative budgeting.
  - Operating and taxation flexibility as a home-rule unit of government.
  - Solid financial practices and results.
  - Manageable and improving debt burden with rapid principal amortization.

Appendix A: Staff Biographies

Tom Mick, Village Manager

- Village Manager Mick is tasked with managing and directing the day-to-day operations of the Village Government in Park Forest. This includes oversight of Administration, Community Development, Economic Development and Planning, Finance, Fire, Health, Police, Public Works, Recreation and Parks. Mr. Mick has worked with the Village since 1998 and has served in his capacity as Village Manager since January 2005. Prior to working with the Village, he has served the Villages of Glencoe and River Forest. Village Manager Mick is actively involved in the Park Forest Rotary Club, the Illinois City/County Manager's Association and the International City/County Managers Association.

Mary Dankowski, Deputy Village Manager / Finance Director

- As Director of the Finance Department, Ms. Dankowski is in charge of the day-to-day financial operations of the Village as well as financial reporting. In her role as Village Treasurer, she invests and monitors all Village funds as well as the Police Pension, Fire Pension, and Firefighters' Insurance Funds. Ms. Dankowski participates as a member of the Village's economic development task force and is the liaison to the Village's financial consultants. She has served the Village in her role as Village Treasurer/Finance Director for seventeen years. Prior to her tenure at the Village she served as Deputy City Manager and Finance Director for Country Club Hills and has worked as a financial analyst for ten years. Ms. Dankowski earned her bachelor's degree in Accounting from Loyola University, her Masters Degree in Finance from DePaul University and is a Certified Public Accountant (CPA). She has served as President of the Illinois Government Finance Officers Association (IGFOA), the Chicago South Chapter of the Illinois CPA Society and the South Metro Chapter of the IGFOA.

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER __, 2012

NEW ISSUE: Book-Entry Only **Investment Rating: Moody's __**
Bank Qualified

Subject to compliance by the Village with certain covenants, in the opinion of Bond Counsel, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Interest on the Bonds is not exempt from present Illinois income taxes. See "TAX EXEMPTION" herein for a more complete discussion. The Bonds are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See "QUALIFIED TAX-EXEMPT OBLIGATIONS" herein for a more complete discussion.

$4,220,000*
VILLAGE OF PARK FOREST
Cook and Will Counties, Illinois
$1,585,000* General Obligation Refunding Bonds, Series 2012A
$2,635,000* General Obligation Refunding Bonds, Series 2012B

Dated: Date of Delivery **Due: January 1, as described herein**

The $1,585,000* General Obligation Refunding Bonds, Series 2012A (the "2012A Bonds") and the $2,635,000* General Obligation Refunding Bonds, Series 2012B (the "2012B Bonds" and together with the 2012A Bonds, the "Bonds"), will be issued in fully registered form in the denomination of $5,000 or authorized integral multiples thereof. Semi-annual interest on the Bonds shall be payable on each January 1 and July 1 commencing January 1, 2013. Interest is calculated based on a 360-day year of twelve 30-day months. The Bond Registrar and Paying Agent for the Bonds is The Bank of New York Mellon Trust Company, N.A. (the "Bond Registrar and Paying Agent"). The Bonds will be issued only in fully registered form and will be registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). DTC will act as the securities depository of the Bonds. Individual purchases will be made in book-entry form only in denominations of $5,000 principal amount or any authorized integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interest in the Bonds purchased. (See "THE BONDS - Book-Entry Only System.").

The proceeds from the sale of the Bonds will be used to (i) currently refund a portion of the Village's outstanding General Obligation Bonds, Series 2001 and (ii) pay the costs of issuance of the Bonds. (See "THE FINANCING – Purpose of the Bonds").

The 2012A Bonds will constitute valid and legally binding full faith and credit general obligations of the Village secured by (a) ratably and equally with any outstanding General Obligation Bonds, Series 2001 and General Obligation Refunding Bonds, Series 2008A, of the Village, (i) the incremental property taxes, if any, derived from the Downtown Tax Increment Redevelopment Project Area (the "Redevelopment Project Area" or the "Downtown TIF Area") and (ii) funds on deposit in and to the credit of the special tax allocation fund here before created by the Village in connection with its designation of the Redevelopment Project Area and (b) ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The 2012B Bonds will constitute valid and legally binding full faith and credit general obligations of the Village secured by ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Certain of the Bonds are subject to redemption prior to maturity. See "THE BONDS – Redemption Prior to Maturity" herein.

This cover page contains certain information for quick reference only. It is not a summary for the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and to the approval of legality by Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel. It is expected that the Bonds will be available for delivery in definitive form through the facilities of DTC in New York, New York on or about October _, 2012.

BAIRD

*Preliminary, subject to change.

MATURITY SCHEDULE, INTEREST RATES AND YIELDS*

General Obligation Refunding Bonds, Series 2012A

Maturing January 1	Amount*	Interest Rate	Yield	CUSIP [1] (Base: 700467)
2014	$185,000	%	%	
2015	195,000			
2016	210,000			
2017	225,000			
2018	240,000			
2019	255,000			
2020	275,000			

General Obligation Refunding Bonds, Series 2012B

Maturing January 1	Amount*	Interest Rate	Yield	CUSIP [1] (Base: 700467)
2014	$145,000	%	%	
2015	155,000			
2016	170,000			
2017	180,000			
2018	190,000			
2019	210,000			
2020	220,000			
2021	240,000			
2022	255,000			
2023	270,000			
2024	290,000			
2025	310,000			

*Preliminary, subject to change.
(1)CUSIP data herein is provided by Standard & Poor's CUSIP Bureau Service, a division of the McGraw-Hill Companies, Inc.

Certain information contained in this Official Statement has been obtained by the Village of Park Forest (the "Village") from DTC and other sources that are deemed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of such information by the Village or the Underwriter. Nothing contained in this Official Statement is or shall be relied on as a promise or representation by the Underwriter. This Official Statement is being used in connection with the sale of securities as referred to herein and may not be used, in whole or in part, for any other purpose. The delivery of this Official Statement at any time does not imply that information in it is correct as of any time subsequent to its date.

No dealer, broker, salesman or other person has been authorized by the Village or by the Underwriter to give any information or to make any representations other than those contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy, nor shall there be any sale of the Bonds, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any other sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Village.

The tax advice contained in this Official Statement is not intended or written by the Village, its Bond Counsel, or any other tax practitioner to be used, and it cannot be used, by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer. The tax advice contained in this Official Statement was written to support the promotion or marketing of the Bonds. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

In connection with the offering of the Bonds, the Underwriter may overallot or effect transactions that stabilize or maintain the market price of the Bonds at a level above the level that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time without notice. The prices and other terms respecting the offering and sale of the Bonds may be changed from time to time by the Underwriter after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE VILLAGE AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISK INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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Village of Park Forest

Village Board

Mayor
John A. Ostenburg

Trustees

Mae Brandon	Bonita Dillard	Gary Kopycinski
Kenneth W. Kramer	Robert McCray	Georgia O'Neill

Village Clerk
Sheila McGann

Administration

Village Manager
Tom Mick

Finance Director and Treasurer
Mary G. Dankowski

Village Attorney
Paul Stephanides
Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd.
Chicago, IL

Village of Park Forest
350 Victory Drive
Park Forest, Illinois 60466
Phone: (708) 748-1112
Fax: (708) 503-8560

PROFESSIONAL SERVICES

Bond Counsel:	Chapman and Cutler LLP, Chicago, Illinois
Auditor:	Baker Tilly Virchow Krause, LLP, Oak Brook, Illinois
Bond Registrar, Escrow Agent and Paying Agent:	The Bank of New York Mellon Trust Company, N.A.

OFFICIAL STATEMENT
of the
Village of Park Forest
Cook and Will Counties, Illinois
Relating to its
$1,585,000* General Obligation Refunding Bonds, Series 2012A
$2,635,000* General Obligation Refunding Bonds, Series 2012B

INTRODUCTION

This Official Statement, including the cover page hereof and the appendices hereto, is provided by the Village of Park Forest, Cook and Will Counties, Illinois (the "Village") for the purpose of setting forth information to all who may become registered owners of the Village's $1,585,000* General Obligation Refunding Bonds, Series 2012A (the "2012A Bonds"), and $2,635,000* General Obligation Refunding Bonds, Series 2012B (the "2012B Bonds," and together with the 2012A Bonds, the "Bonds") as authorized in an ordinance adopted by the Mayor and Board of Trustees of the Village on September 10, 2012 (as supplemented by certain Bond Orders and Notifications of Sale executed in connection with the sale of the Bonds, the "Ordinance").

THE FINANCING

Purpose of the Bonds

The Bonds are being issued for the purposes of (i) currently refunding a portion of the Village's outstanding General Obligation Bonds, Series 2001 (the "2001 Bonds") maturing or subject to mandatory redemption in the years 2014 through 2019, 2021, 2022 and 2025 (the "Bonds to be Refunded") on January 1, 2013 and (ii) paying certain expenses relating to the issuance of the Bonds. See "The Refunding" and the "Bonds to be Refunded", herein.

The Refunding

Proceeds of the Bonds will be used to establish an irrevocable escrow account (the "Escrow Account") consisting of cash and direct obligations of the United States of America (the "Government Obligations"). The Escrow Account will be held by The Bank of New York Mellon Trust Company, N.A. (the "Escrow Agent") and will be used to pay principal of and interest on the Bonds to be Refunded. The Escrow Account will be held by the Escrow Agent pursuant to an escrow agreement (the "Escrow Agreement") which irrevocably directs the Escrow Agent to (i) make all payments of the principal of and interest on the Bonds to be Refunded through their respective call dates, and (ii) take all steps necessary to call the Bonds to be Refunded on such dates. The Escrow Account will be in such amounts so that the cash and the principal and interest payments received on the Government Obligations will be sufficient, without reinvestment, to pay the principal of and interest on the Bonds to be Refunded as they become due or as called for redemption. Proceeds of the Bonds not being used to refund the Bonds to be Refunded will be used to pay costs of issuance of the Bonds.

*Preliminary, subject to change.

The Bonds to be Refunded

The following schedules set forth the principal and interest requirements of the Bonds to be Refunded, which are to be paid from the Escrow Account.

General Obligation Bonds, Series 2001

Maturing January 1	Outstanding Amount	Refunded Amount*	Redemption Price	Redemption Date
2013	$ 235,000	$ 0	-	-
2014	260,000	260,000	100%	January 1, 2013
2015	290,000	290,000	100%	January 1, 2013
2016	320,000	320,000	100%	January 1, 2013
2017	355,000	355,000	100%	January 1, 2013
2018	390,000	390,000	100%	January 1, 2013
2019	430,000	430,000	100%	January 1, 2013
2020 (1)	470,000	470,000	100%	January 1, 2013
2021	280,000	280,000	100%	January 1, 2013
2022	300,000	300,000	100%	January 1, 2013
2023 (2)	330,000	330,000	100%	January 1, 2013
2024 (2)	360,000	360,000	100%	January 1, 2013
2025	390,000	390,000	100%	January 1, 2013
	$ 4,410,000	$ 4,175,000		

(1) Sinking fund installment for the 2021 maturity.
(2) Sinking fund installment for the 2025 maturity.

Estimated Sources and Uses of Funds

The sources and uses of funds with respect to the Bonds are estimated as follows:

Estimated Sources of Funds

	2012A Bonds	2012B Bonds
Par Amount of the Bonds	$	$
Cash Transfer from Prior Debt Service Fund		
Reoffering Premium		
Total	$	$

Estimated Uses of Funds

	2012A Bonds	2012B Bonds
Deposit to Escrow Fund	$	$
Costs of Issuance (1)		
Total	$	$

(1) Includes bond registrar and paying agent fees, underwriter's discount, legal fees, rating agency fees, printing and other miscellaneous costs of issuance.

*Preliminary, subject to change.

THE BONDS

Authorization

The Bonds are issued pursuant to the home rule powers of the Village under Section 6 of Article VII of the Illinois Constitution of 1970. The 2012A Bonds are further authorized by the Tax Increment Allocation Redevelopment Act, as supplemented and amended (the "Tax Increment Act"), and particularly as supplemented and amended by the Local Government Debt Reform Act, as amended, and the other Omnibus Bond Acts, as amended, and as supplemented and amended.

Security

The 2012A Bonds will constitute valid and legally binding full faith and credit general obligations of the Village secured by (a) ratably and equally with any outstanding General Obligation Bonds, Series 2001 and General Obligation Refunding Bonds, Series 2008A, of the Village, (i) the incremental property taxes, if any, derived from the Downtown Tax Increment Redevelopment Project Area (the "Redevelopment Project Area" or the "Downtown TIF Area") and (ii) funds on deposit in and to the credit of the special tax allocation fund here before created by the Village in connection with its designation of the Redevelopment Project Area and (b) ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

The 2012B Bonds will constitute valid and legally binding full faith and credit general obligations of the Village secured by ad valorem taxes levied against all of the taxable property in the Village without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion

Redemption Prior to Maturity

Optional Redemption: The 2012A Bonds are not subject to redemption prior to maturity.

The 2012B Bonds maturing on and after January 1, 20__ shall be subject to redemption prior to maturity at the option of the Village from any available funds on January 1, 20__ or on any date thereafter, in whole or in part, and if in part in such principal amounts and from such maturities as determined by the Village, and within any maturity by lot, at a redemption price of par plus accrued interest. Notice of such call shall be given by mailing a notice thereof at least thirty (30) days, but not more that (60) days, prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Mandatory Redemption: The 20__ Bonds maturing ___________ (the "Term Bonds") are also subject to mandatory sinking fund redemption in part and by lot, on January 1 of each of the years and in the amounts set forth below at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the redemption date. Notice of such call shall be given by mailing a notice thereof at least thirty (30) days, but not more than (60) days, prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Term Bonds Due January 1, 20__

Redemption Date January 1	Amount
20__	$
20__ (Maturity)	

Whenever Term Bonds subject to mandatory sinking fund redemption are redeemed at the option of the Village, the principal amount thereof so redeemed shall be credited against the unsatisfied balance of future sinking fund installments or final principal amount established with respect to such Term Bonds, in such amounts and against such installments or final principal amount as shall be determined by the Village in the proceedings authorizing such optional redemption or, in the absence of such determination, shall be credited pro-rata against the unsatisfied balance of the applicable sinking fund installments and final principal amount.

On or prior to the 60th day preceding any sinking fund installment date, the Village may purchase Term Bonds, which are subject to mandatory redemption on such sinking fund installment date, at such prices as the Village shall determine. Any

Term Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment of the Term Bonds of the same maturity as the Term Bond so purchased.

Registration, Payment and Transfer

The Bonds are issuable only as fully registered Bonds without coupons, and when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the Bonds. Purchases of beneficial interests in the Bonds will be made in book-entry only form, in the denomination of $5,000 or any integral multiple thereof. Purchasers will not receive certificates representing their beneficial interest in Bonds purchased. So long as Cede & Co. is the Bondholder, as nominee for DTC, references herein to the Bondholders or registered owners shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as hereinafter defined) of the Bonds. See "THE BONDS – Book-Entry Only System" herein.

The Bonds will be issued in the original aggregate principal amounts as shown on the inside cover of this Official Statement. The Bonds will be dated the date of delivery (the "Dated Date") and will bear interest from the later of the Dated Date or from the most recent interest payment date to which interest has been paid or duly provided for. Interest on the Bonds shall be payable semiannually on January 1 and July 1 of each year commencing on January 1, 2013. Interest on the Bonds shall be computed using a 360-day year and twelve 30-day months and the Bonds will mature on the dates and in the principal amounts and will bear interest at the rates as set forth on the inside cover of this Official Statement. The Bonds will be registered Bonds in the denomination of $5,000 or multiples thereof not exceeding for each maturity the principal amount of such maturity. The principal and interest shall be payable at the principal office maintained for the purpose by The Bank of New York Mellon Trust Company, N.A. (the "Bond Registrar and Paying Agent") or such other paying agent as the Village may hereafter designate by notice mailed to the Bondholders. So long as DTC or its nominee, Cede & Co., is the Bondholder, such payments will be made directly to DTC. Disbursement of such payments to the Beneficial Owners is the responsibility of DTC Participants and Indirect Participants (both as hereinafter defined), as more fully described below. Interest shall be paid when due by check or draft mailed to the registered owners of Bonds as shown on the registration books as of the fifteenth day of the calendar month preceding the payment date for each interest payment or at the request of a registered owner, by wire transfer to the registered owner's instructions.

Book-Entry Only System

The information in this section has been furnished by DTC. No representation is made by the Village, Bond Counsel, the Underwriter or the Bond Registrar and Paying Agent as to the completeness or accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof. No attempt has been made by the Village, Bond Counsel, the Underwriter or the Bond Registrar and Paying Agent to determine whether DTC is or will be financially or otherwise capable of fulfilling its obligations. Neither the Village nor the Bond Registrar and Paying Agent will have any responsibility or obligation to direct participants, indirect participants (as defined below) or the persons for which they act as nominees with respect to the Bonds, or for any principal or interest payment thereof.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC is rated "AA+" by Standard & Poor's Ratings Services. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission (the "Commission"). More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Village or Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to Registrar, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to Registrar. The requirement for physical delivery of Bonds in connection with an optional tender or mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to Registrar's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the Village or the Registrar. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The Village may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, and the Village takes no responsibility for the accuracy thereof.

The Village will have no responsibility or obligation to any Securities Depository, any Participants in the Book-Entry System or the Beneficial Owners with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the principal amount or redemption price of, or interest on, any Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (v) any other action taken by the Securities Depository or any Participant.

The Village, Bond Counsel, the Underwriter and the Bond Registrar and Paying Agent cannot and do not give any assurances that DTC, the Direct Participants or the Indirect Participants will distribute to the Beneficial Owners of the Bonds (i) payments of principal of or interest on the Bonds, (ii) any document representing or confirming beneficial ownership interests in the Bonds, or (iii) notices sent to DTC or Cede & Co. its nominee, as the registered owner of the Bonds, or that it will do so on a timely basis or that DTC, Direct Participants or Indirect Participants will serve and act in the manner described in this Official Statement. The current "rules" applicable to DTC are on file with the Securities and Exchange Commission, and the current "procedures" of DTC to be followed in dealing with the Direct and Indirect Participants are on file with DTC.

Neither the Village, Bond Counsel, the Underwriter nor the Bond Registrar and Paying Agent will have any responsibility or obligation to any Direct Participant, Indirect Participant or any Beneficial Owner or any other person with respect to: (a) the Bonds; (b) the accuracy of any records maintained by DTC or any Direct Participant or Indirect Participant; (c) the payment by DTC to any Participant, or by any Direct Participant or Indirect Participant to any Beneficial Owner of any amount due with respect to the principal of or interest on the Bonds; (d) the delivery by DTC to any participant, or by and Direct Participant or Indirect Participant to any Beneficial Owner of any notice which is required or permitted under the terms of the authorizing ordinance to be given to Bondholders; (e) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of the Bonds; or (f) any consent given or other action taken by DTC as Bondholder.

Transfer Outside Book-Entry Only System

In the event the book-entry only system is discontinued, the following provisions would apply to the Bonds. The Bond Registrar and Paying Agent will act as transfer agent and bond registrar and shall keep the registration books for the Bonds (the "Bond Register") at its principal office maintained for the purpose. Subject to the further conditions contained in the Ordinance, the Bonds may be transferred or exchanged for one or more Bonds in different authorized denominations upon surrender thereof at the principal office maintained for the purpose by the Bond Registrar and Paying Agent by the registered owners or their duly authorized attorneys; upon surrender of any Bonds to be transferred or exchanged, the Bond Registrar and Paying Agent shall record the transfer or exchange in the Bond Register and shall authenticate replacement bonds in authorized denominations. The Bond Registrar and Paying Agent shall not be required to transfer or exchange any Bond during the period of 15 days preceding the giving of notice of redemption of the Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. The Village and Bond Registrar and Paying Agent shall be entitled to treat the registered owners of the Bonds, as their names appear in the Bond Register as of the appropriate dates, as the owner of such Bonds for all purposes under the Ordinance. No transfer or exchange made other than as described above and in the Ordinance shall be valid or effective for any purposes under the Ordinance.

THE VILLAGE OF PARK FOREST

General Information

The Village of Park Forest is located in south suburban Cook County and Will County approximately 33 miles from downtown Chicago, Illinois. Interstate 57 is located 2.5 miles to the west of the Village and Illinois State Route 30 runs along part of the north border of the Village. The majority of the Village (79.3% of the Village's 2011 equalized assessed valuation) is within Cook County; the balance is within Will County.

The Village of Park Forest was incorporated on February 1, 1949 and is a home-rule unit of government under the 1970 Constitution of the State of Illinois.

The Village is served principally by one elementary school district (parts of the Village fall within two other elementary school districts), one high school district, one unit school district, and a community college district. The Village provides a full range of municipal services. Specific Village services include police protection, fire protection, health services, recreation and parks, water supply, sanitary and storm water collection, public works operations, road maintenance, building and inspectional services and general administrative services.

The Village owns and operates its own water system which is supplied by well water. The Village maintains its own sewer lines and sanitary sewage treatment is provided by the Thorn Creek Sanitary District which treats the sewage. Natural gas is supplied by Northern Illinois Gas and electricity is provided by Commonwealth Edison.

Population

The following table shows the population of the Village for the last five U.S. Censuses.

U.S. Census	Population	Percent Change
1970	30,638	2.15%
1980	26,222	(14.41)
1990	24,656	(5.97)
2000	23,462	(4.84)
2010	21,975	(6.34)

Source: U.S. Bureau of the Census

The following table shows the age distribution of the 2010 Census population of the Village.

Category	Percent
Under 19 Years	18.2%
20-24 Years................................	5.8
25-44 Years................................	34.7
45-64 Years................................	29.8
65 + Years..................................	11.5
Median Age................................	39.5 Years

Source: U.S. Department of Commerce, Census Bureau

Village Government

The Village of Park Forest is governed by a Mayor and Board of six trustees. Trustees serve staggered three year terms, while the Mayor serves a four year term. Below is list of the Village's Mayor and Board of Trustees.

		First Elected	Term Expires
Mayor:	John A. Ostenburg	1999	2015
Village Clerk:	Sheila McGann	(appointed)	

Village Trustees	First Elected	Term Expires
Kenneth W. Kramer	1985	2013
Bonita Dillard..	1999	2013
Mae Brandon..	2003	2015
Gary Kopycinski	2003	2015
Robert McCray...	2005	2013
Georgia O'Neil...	2006	2015

An appointed Village Manager is charged with the day-to-day responsibility of administering Board policy and supervising the Village's employees. The following is a list of all Village Department heads:

Village Manager	Tom Mick
Village Treasurer and Finance Director.....................	Mary G. Dankowski
Police Chief	Clifford Butz
Fire Chief...	Robert Wilcox
Health Department Director	Jenise Ervin
Public Works Director	Ken Eyer P.E.
Economic Development and Planning Director	Hildy L. Kingma
Community Development Director	Lawrence G. Kerestes
Director of Recreation and Parks...............................	John P. Joyce

The Downtown TIF Area

The 2012A Bonds are secured by a pledge of the incremental property taxes, if any, derived from the Downtown TIF Area.

Tax increment financing is authorized in Illinois by the Tax Increment Act. Tax increment financing provides a means for municipalities, after the approval of "a redevelopment plan and project", to redevelop blighted, conservation or industrial park conservation areas by pledging the anticipated increase in tax revenues resulting from redevelopment to pay for the costs incurred to stimulate such private investment, new development and rehabilitation.

In November 1997, the Village designated a tax increment financing district (the "Downtown TIF Area") pursuant to and in accordance with the Tax Increment Act. The Downtown TIF Area was created in order to encourage redevelopment of the Park Forest Plaza, later renamed Park Forest Centre, a regional shopping center built in the 1950's. The Downtown TIF Area encompassed an area including Downtown Park Forest and two small adjacent properties including a bank and a post office. The initial Equalized Assessed Valuation of the Downtown TIF Area was $3,598,133 at the time of designation of the Downtown TIF Area on November 10, 1997. The Downtown TIF Area will expire in November 2020 and is located entirely within Cook County.

The Downtown TIF Area replaces an earlier redevelopment project area designated by the Village in 1985 (the "Initial TIF District"). This action lowered the base EAV of the TIF District which gave the Village a better opportunity to generate tax increment in the future. Replacing the Initial TIF District also extended the life of the Downtown TIF Area by an additional 12 years, which allowed the Village to spread the TIF related debt over a longer period of time.

At the time of designation of the Initial TIF District in 1985, the Park Forest Centre was anchored by two department stores, Marshall Fields and Sears, Roebuck & Company and included 379,400 square feet of additional smaller retail space. Despite rehabilitation efforts, the Park Forest Centre experienced poor sales performance. In 1995, Sears closed its department store and donated its land and buildings to the Village. The Sears building was later demolished. In April 1997, Marshall Fields closed its department store. The Marshall Fields building was demolished in 2011.

In December 1995, the Village purchased the Park Forest Centre from its then-current owner. During 1996, the Village studied the shopping center and created a plan for its redevelopment, believing that the poor performance was due to its distance from major traffic arteries. In 1997, the physical redevelopment began to convert the Park Forest Centre into a traditional linear downtown, improving vehicle and pedestrian access to the center and store visibility.

Since that time the Village has moved its municipal building to the Downtown TIF Area and LaRabida Children's Hospital has moved its counseling program for abused children from a neighboring suburb into the former Village Hall Facility. Osco Foods, now CVS Pharmacy, was opened within the Downtown TIF Area in the winter of 2000 and a senior complex, including a 90-unit independent living facility and a 60-unit assisted living facility was constructed and occupied in 2001.

In 2008, a 65 unit residential development, Legacy Square, was completed in the Downtown TIF Area.

Currently, leasing efforts have resulted in several leases including a caterer, music store, barber shop, senior center, tailor, resale store, health club, dance studio, food co-op, chiropractor, family physician, podiatrist and dry cleaner. In total, approximately 75% of the main floor space, and Building #2 and #3, are leased and 88% of second floor office space.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Tax Assessments – Cook County

The County Assessor (the "County Assessor") is responsible for the assessment of all taxable real property within Cook County (the "County"), including real property within the Village, except for certain railroad property and pollution control facilities which are assessed directly by the Illinois Department of Revenue (the "Department of Revenue"). For triennial reassessment purposes, Cook County is divided into three sections: west and south suburbs ("South Tri"), north and northwest suburbs ("North Tri"), and the City of Chicago ("City Tri"). The Village is located in the South Tri and was reassessed for the 2011 tax levy year.

Real property in the County is separated into classes for assessment purposes. After the County Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. The classification percentages range from 16% for certain residential, commercial and industrial property to 36% and 38%, respectively, for other industrial and commercial property. On September 17, 2008, the Cook County Board of Commissioners approved changes to the property classification ordinance. The changes reduce the percentages used to calculate the assessed value of real property in the County for real estate tax purposes. These reductions took effect in the 2009 tax levy year. Such new classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

Property is classified for assessment into six basic categories, each of which is assessed (beginning with the 2009 tax levy year) at various percentages of fair market value as follows: Class 1) unimproved real estate - 10%; Class 2) residential - 10%; Class 3) rental-residential - 16%, in tax year 2009, 13% in assessment year 2010, and 10% in assessment year 2011 and subsequent years; Class 4) not-for-profit - 25%; Class 5a) commercial - 25%; Class 5b) industrial - 25%. There are also seven additional categories. Newly constructed industrial properties or substantially rehabilitated sections of existing industrial properties within the County may qualify for a Class 6b assessment level, which assessment level is 10% for the first 10 years and for any subsequent 10-year renewal periods. However, if the incentive is not renewed, the 6b assessment level is 15% in year 11 and 20% in year 12, hereafter reverting to Class 5b. Real estate, which is to be used for industrial or commercial purposes where such real estate has undergone environmental testing and remediation, may be eligible for a Class C assessment level. The Class C assessment level for industrial properties is 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5b. Class C commercial properties are assessed at 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a. Commercial properties that are newly constructed or substantially rehabilitated and are within an area determined to be an area in need of commercial development may be classified as Class 7a or 7b property, and will then be assessed at a level of 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a. Certain commercial and industrial properties located in zones determined to be in need of substantial revitalization or in an enterprise community could be eligible for Class 8 assessments. The Class 8 assessment level for industrial properties is 10% for the first 10 years and for any subsequent 10-year renewal periods. If the incentive is not renewed, the Class 8 assessment level for industrial properties is 15% in year 11 and 20% in year 12, thereafter reverting to Class 5b. The Class 8 assessment level for commercial properties is 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a. Substantially rehabilitated or new construction multi-family residential properties within certain target areas, empowerment or enterprise zones may be eligible for Class 9 categorization. The Class 9 assessment level is 10% for an initial 10-year period, renewable upon application for additional 10-year periods. When the Class 9 assessment level expires, the assessment level reverts to the applicable classification. Rental-residential (Class 3) properties subject to a Section 8 contract that has been renewed under the "Mark Up To Market" option may qualify for a Class S assessment level. The Class S assessment level is 10% for the term of the Section 8 contract renewal under the Mark Up To Market option, and for any additional terms of renewal of the Section 8 contract under the Mark Up To Market option. When the Class S assessment level expires, the assessment level reverts to Class 3. Substantially rehabilitated properties which are designated as Class 3, Class 4, Class 5a or Class 5b and which qualify as Landmark or Contributing buildings may qualify for a Class L assessment level. The Class L assessment level for Class 3, 4 or 5b properties is 10% for the first 10 years and for any subsequent 10-year renewal periods. If the incentive is not renewed, the Class L assessment level is 15% in year 11 and 20% in year 12, thereafter reverting to Class 3, 4 or 5b. Class L commercial properties are assessed at 10% for the first 10 years, 15% in year 11 and 20% in year 12, thereafter reverting to Class 5a.

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review, which consists of three commissioners elected by the voters of the County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

Owners of both residential property having six or fewer units and owners of real estate other than residential property with six or fewer units are able to appeal decisions of the Board of Review to the Illinois Property Tax Appeal Board (the "PTAB"), a statewide administrative body. The PTAB has the power to determine the Assessed Valuation of real property based on equity and the weight of the evidence. Taxpayers may appeal the decision of PTAB to either the Circuit Court of Cook County or the Illinois Appellate Court under the Illinois Administrative Review Law.

As an alternative to seeking review of Assessed Valuations by PTAB, taxpayers who have first exhausted their remedies before the Board of Review may file an objection in the Circuit Court of Cook County similar to the previous judicial review procedure but with a different standard of proof than that previously required. In addition, in cases where the Assessor agrees that an assessment error has been made after tax bills have been issued, the Assessor can correct any factual error, and thus reduce the amount of taxes due, by issuing a Certificate of Error. Certificates of Error are not issued in cases where the only issue is the opinion of the valuation of the property.

Equalization. After the County Assessor has established the Assessed Valuation for each parcel for a given year, and following any revisions by the Board of Review or PTAB, the Illinois Department of Revenue is required by statute to review the Assessed Valuations. The Illinois Department of Revenue establishes an equalization factor (the "Equalization Factor"), commonly called the "multiplier," for each county to make all valuations uniform among the 102 counties in the State. Under State law, the aggregate of the assessments within each county is to be equalized at 33-1/3% of the estimated fair cash value of real property located within the county prior to any applicable exemptions. One multiplier is applied to all property in Cook County, regardless of its assessment category, except for some farmland property which is not subject to equalization.

Once the Equalization Factor is established, the Assessed Valuation, as revised by the Board of Review or PTAB, is multiplied by the Equalization Factor to determine the equalized assessed valuation (the "EAV") of that parcel. The EAV for each parcel is the final property valuation used for determination of tax liability. The aggregate EAV for all parcels in any taxing body's jurisdiction, plus the valuation of property assessed directly by the State, constitutes the total real estate tax base for the taxing body and is the figure used to calculate tax rates (the "Assessment Base"). The following table sets forth the Equalization Factor for Cook County for the last 10 tax levy years.

Tax Levy Year	Equalization Factor
2002	2.4689
2003	2.4598
2004	2.5757
2005	2.7320
2006	2.7076
2007	2.8439
2008	2.9786
2009	3.3701
2010	3.3000
2011	2.9706

Tax Assessments – Will County

Local Assessment Officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local Assessment Officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to the taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due payable in two installments during the next calendar year. Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are subject to a penalty of 1-1/2% per month until paid. Unpaid property taxes, together with penalties, interest and costs constitute a lien against the property subject to the tax.

Exemptions

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of $6,000 for assessment year 2009 and thereafter.

The Alternative General Homestead Exemption limits EAV increases for homeowners (who also reside on the property as their principal place of residence) to 7% a year, up to a certain maximum dollar amount each year as defined by statute. Any amount of increase that exceeds the maximum exemption as defined is added to the 7% increase and is part of that property's taxable EAV. Homes that do not increase by at least 7% a year are entitled, in the alternative, to the General Homestead Exemption as discussed above.

For properties in the City Tri, the Alternative General Homestead Exemption cannot exceed $20,000 for assessment year 2009, $16,000 for assessment year 2010 and $12,000 for assessment year 2011. For properties in the North Tri, the Alternative General Homestead Exemption cannot exceed $20,000 for assessment years 2009 and 2010, $16,000 for assessment year 2011 and $12,000 for assessment year 2012. For properties in the South Tri, the Alternative General Homestead Exemption cannot exceed $26,000 for assessment year 2009, $20,000 for assessment year 2010 and 2011 and $12,000 for assessment year 2012.

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer's homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of $100,000 or less ("Qualified Homestead Property"). If the taxpayer's annual income is $75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to residential properties that have been improved and to properties that have been rebuilt in the two years following a catastrophic event, as defined in the Illinois Property Tax Code, as amended. The exemption is limited to $75,000 per year, to the extent the Assessed Valuation is attributable solely to such improvements or rebuilding. Additional exemptions exist for senior citizens. The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is $4,000. Beginning in tax year 2010, Cook County taxpayers seeking to claim this exemption must reapply for the exemption on an annual basis.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of $55,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (i) the current EAV of the residence and (ii) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Three exemptions are available to veterans of the United States armed forces. The Disabled Veterans' Exemption exempts up to $70,000 of the Assessed Valuation of property owned and used exclusively by veterans, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs.

The Disabled Veterans' Standard Homestead Exemption provides an annual homestead exemption of (i) $5,000 to those veterans with a service-connected disability of 70% (75% for exemptions granted from 2007 to 2009) and (ii) $2,500 to those veterans with a service-connected disability of less than 70% (75% for exemptions granted from 2007 to 2009), but at least 50%.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, or the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time homestead exemption of $5,000.

Finally, the Disabled Persons' Homestead Exemption provides an annual homestead exemption in the amount of $2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

The following table sets forth the Village's EAV and estimated market value for the last five fiscal years.

Village of Park Forest
Property Valuations

Levy Year	Collection Year	Fiscal Year	EAV	Estimated Market Value	Percent Change
2007	2008	2008	$204,687,009	$614,061,027	7.58%
2008	2009	2009	219,491,270	658,473,810	7.23
2009	2010	2010	225,587,683	676,763,049	2.78
2010	2011	2011	221,881,935	665,645,805	-1.64
2011	2012	2012	165,169,446	495,508,338	-25.56

Per Capita 2011 EAV (1) $7,516.24
Per Capita 2011 Estimated Market Value (1) $22,548.73

(1) Based on the Village's 2010 census population of 21,975.
Source: The Village

The following table sets forth the Village's EAV by use for the tax levy year 2007 through 2010. The 2011 EAV by use is not available for property located in Cook County.

Village of Park Forest
Equalized Assessed Valuation by Use
(Amounts Expressed in Thousands)

	2007	2008	2009	2010
Residential	$ 174,718	$ 190,274	$ 196,620	$ 197,165
Commercial	17,884	16,279	16,552	12,922
Industrial	12,009	12,835	12,297	11,322
Farm	0	0	0	0
Railroad	77	102	119	472
Totals	$ 204,687	$ 219,491	$ 225,588	$ 221,882

Source: The Cook and Will County Clerk's Offices.

The Village’s property tax rates expressed as a dollar for each $100 of EAV, for the tax levy years 2007 through 2011 are as follows:

Village of Park Forest
Tax Rates by Purpose Per $100 of Equalized Assessed Valuation

	Levy Years				
	2007	2008	2009	2010	2011
General	$ 3.3475	$ 3.3807	$ 3.6110	$ 3.9525	$ 6.0618
Public Library	0.7780	0.7830	0.8140	0.8500	1.2440
IMRF	0.2316	0.2262	0.2253	0.1926	0.2767
FICA	0.2023	0.1975	0.1968	0.1875	0.2691
Debt Service	0.4497	0.4345	0.4051	0.3490	0.4303
Police Pension	0.3741	0.3978	0.4491	0.4702	0.6702
Fire Pension	0.2880	0.2878	0.3232	0.3425	0.4526
Total	$ 5.6712	$ 5.7075	$ 6.0245	$ 6.3443	$ 9.4050

Source: The Cook County Clerk’s Office.

The Village’s property tax rates and those levied by other units of government expressed as a dollar for each $100 of EAV, for the tax levy years 2007 through 2010 are as follows:

Village of Park Forest
Representative Property Tax Rates
Per $100 Equalized Assessed Valuation

	Levy Years				
	2007	2008	2009	2010	2011
Village of Park Forest	$ 4.8920	$ 4.9250	$ 5.2110	$ 5.4950	$8.1610
Cook County	0.3530	0.3290	0.3100	0.3410	0.3841
School District # 163	6.9750	6.6160	6.4440	6.7470	9.5430
Village of Park Forest Library	0.7780	0.7830	0.8140	0.8500	1.2440
Community College District # 515	0.2940	0.2800	0.2770	0.2930	0.3570
High School District # 227	3.5750	3.4590	3.5130	3.7050	4.6870
All Other	0.4380	0.4130	0.4330	0.4290	0.5389
Total	$ 17.3050	$ 16.8050	$ 17.0020	$ 17.8600	$24.9150

Source: The Village and the Cook County Clerk’s Office

Tax Collections and Extensions

Cook County - The Village prepares an itemized budget upon which hearings are held. A tax levy amount is submitted to the Cook County Treasurer's Office prior to the last Tuesday of December. Property taxes in Cook County are collected by the Cook County Treasurer who distributes to the Village its share of the collections. Taxes levied for expenditures of any year become due and payable in the following year. Real estate taxes are by statute payable in two installments during the year on March 1 and on or about September 1. The first installment equals 55% of the real estate taxes billed in the previous year. After determination of the equalized assessed valuation and calculation of the rates, the difference between the taxes billed on March 1 and the total taxes determined for the year become due on or about September 1.

If an arrearage remains after the second payment is due, a Treasurer's tax sale occurs, usually within six months. Participants in this sale are not purchasing the actual property, but merely the taxes owed. Detailed procedures covering the sale of property for delinquent taxes are prescribed in 35 ILCS 205/238 et seq.

If no tax sale is made, taxes on real estate which are now delinquent for two years or more can be offered for sale at the "Scavenger" sale. The bidding at the scavenger sale is in ascending fixed dollar amounts and the highest bid is in satisfaction of the full amount of all delinquent taxes.

Upon sale of the Bonds an ordinance is filed with the County Clerk in Cook County. In addition to the repayment terms of the Bonds, the ordinance levies the exact amount of taxes that must be collected each tax year to fully pay principal and interest on the Bonds. A tax rate based on the total equalized assessed valuation is annually established for the Village and taxes are extended and collected in the same manner as described above.

Will County - The Village prepares an itemized budget upon which hearings are held. The Will County Collector, who is also the Will County Treasurer, collects the property taxes and remits the Village's share of the collections to the Village. Taxes levied in one calendar year become payable during the following calendar year in two equal installments, the first on the later of June 1 or 30 days after the mailing of the tax bills and the second on the later of September 1 or 120 days after such mailing. The Village receives tax distributions from Will County in five installments. The first installment is usually in June or July and the last installment occurs no later than November.

At the end of each calendar year, the Will County Collector presents the Warrant Books to the Circuit Court, and applies for a judgment for all unpaid taxes. The Court order resulting from that application for judgment provides for a sale of all property with unpaid taxes shown on that year's Warrant Books. A public sale is held, at which time successful bidders pay the unpaid taxes plus penalties. Unpaid taxes accrue penalties at the rate of 1 1/2% (1% for agricultural property) per month from their due date until the date of sale. Taxpayers can redeem their property by paying the tax buyer the amount paid at the sale, plus a penalty. If no redemption is made within specified time periods based on the type of real estate involved, the tax buyer can receive a deed to the property. In addition, there are miscellaneous statutory provisions for foreclosure of tax liens.

The following table sets forth the Village's tax levy and collections for the last five fiscal years.

Village of Park Forest
Tax Levy and Collections

Levy	Collection	Total Taxes	Total Collections	
Year	Year	Extended	Amount	Percent
2006	2007	$10,736,969	$10,374,792	96.63%
2007	2008	11,511,844	10,896,256	94.65
2008	2009	12,288,123	11,511,144	93.68
2009	2010	13,153,576	12,353,799	93.92
2010	2011	13,937,332	13,656,221	97.98
2011	2012	14,665,899	In the Process of Collection	

Source: The Village

The top ten taxpayers of the Village, their type of business and 2011 Equalized Assessed Value are as follows:

Village of Park Forest
Principal Taxpayers (1)

Taxpayers	2011 Equalized Assessed Valuation	Percent of Total (2)
Norwood Square Shopping Center (3)	$8,024,936	4.86%
Autumn Ridge Ltd Partnership	2,889,734	1.75%
Park Forest ILF & SLF (Victory Center)	2,487,289	1.51%
Kinzie Assets, LLC	2,270,228	1.37%
Park Forest Coop IV	1,910,625	1.16%
Ash Street Cooperative	1,893,826	1.15%
Cedarwood Cooperative	1,745,661	1.06%
Park Forest Coop	1,527,797	0.92%
CVS Pharmacy	1,512,558	0.92%
Metroplex Park Forest (Garden House)	1,330,264	0.81%
Total Ten Largest Taxpayers	$25,592,919	15.49%

(1) Every effort has been made to seek out and report the largest taxpayers. However, some of the taxpayers listed hold multiple parcels and it is possible that some parcels and their valuations have been overlooked.
(2) Based on the Village's 2011 EAV of $165,169,446.
(3) The Village is in the process of acquiring this property. Upon acquisition the Village will demolish the structure and offer for development. The property is in a TIF district and not tax revenue has accrued to the general fund from this property.

Source: The Cook County and Will County Clerk's Offices.

OTHER REVENUE

Other revenue includes grants, aid, revenue sharing and other entitlements from Federal and State government. Annually recurring intergovernmental revenue consists primarily of the 1% municipal portion of the retailer's occupation, service occupation and use tax, the Illinois motor vehicle fuel tax, and the Village's share of the State of Illinois 3% income tax.

Sales Tax

The Village receives a portion of the Illinois State sales tax collected in the Village. The following table sets forth the total sales tax receipts of the Village for the fiscal years ended June 30, 2007 through 2011.

Village of Park Forest
Retailer's Occupation, Service Occupation and Use Tax

Fiscal Year Ended June 30	Sales Tax Distributions	Annual Change
2007	$682,566	7.47%
2008	670,036	-1.84
2009	615,553	-8.13
2010	576,938	-6.27
2011	649,933	12.65

Source: The Village

Illinois Motor Vehicle Fuel Tax

The following table sets forth the motor fuel vehicle tax revenue received from the State for the fiscal years ended June 30, 2007 through June 30, 2011.

Village of Park Forest
Illinois Motor Vehicle Fuel Tax

Fiscal Year Ended June 30	Motor Fuel Tax Allocation	Annual Change
2007	$679,256	-0.40%
2008	651,738	-4.05
2009	602,712	-7.52
2010	589,858	-2.13
2011	691,365	17.21

Source: The Village

Illinois State Income Tax

The following table sets forth the Illinois State income tax revenue received for the fiscal years ended June 30, 2007 through June 30, 2011.

Village of Park Forest
Illinois State Income Tax

Fiscal Year Ended June 30	State Income Tax Revenue	Annual Change
2007	$2,050,077	9.98%
2008	2,223,207	8.45
2009	1,982,466	-10.83
2010	1,788,235	-9.80
2011	1,819,373	1.74

Source: The Village

VILLAGE DEBT

Debt Limitations

The Village has no general obligation debt limitation as it is a home rule unit of government under Article VII of the 1970 Illinois Constitution. The Village Board has the option to pass an ordinance to set a debt limit for the amount of general obligation bonds outstanding. As of this date, it has not done so.

Village's Retirement Schedule of Outstanding General Obligation Debt (1)

	Principal Maturities									
Fiscal Year Ended June 30	Series 1993	Series 1999	Series 2001	Series 2008A	Series 2008B	Series 2012A	Series 2012B	Less: Refunded Bonds	Total Maturities Amount	Total Maturities Cumulative Percent
2013	$121,100	$90,000	$235,000	$485,000	$105,000	$0	$0	$0	$1,036,100	9.5%
2014		100,000	260,000	510,000	110,000	185,000	145,000	(260,000)	1,050,000	19.1%
2015		110,000	290,000	530,000	115,000	195,000	155,000	(290,000)	1,105,000	29.2%
2016		115,000	320,000	550,000	115,000	210,000	170,000	(320,000)	1,160,000	39.9%
2017		125,000	355,000	590,000	125,000	225,000	180,000	(355,000)	1,245,000	51.3%
2018		135,000	390,000	615,000	125,000	240,000	190,000	(390,000)	1,305,000	63.2%
2019		145,000	430,000	675,000		255,000	210,000	(430,000)	1,285,000	75.0%
2020		145,000	470,000	725,000		275,000	220,000	(470,000)	1,365,000	87.5%
2021			280,000				240,000	(280,000)	240,000	89.7%
2022			300,000				255,000	(300,000)	255,000	92.0%
2023			330,000				270,000	(330,000)	270,000	94.5%
2024			360,000				290,000	(360,000)	290,000	97.2%
2025			390,000				310,000	(390,000)	310,000	100.0%
Total	$121,100	$965,000	$4,410,000	$4,680,000	$695,000	$1,585,000	$2,635,000	($4,175,000)	$10,916,100	

(1) Debt information as of the Dated Date of the Bonds. Preliminary, subject to change.
Source: The Village

Detailed Statement of Direct and Overlapping Bonded Indebtedness (1)

	Total Debt Outstanding	Self-Supporting	Net
General Obligation Bonds (2)	$ 10,916,100	$ 0	$ 10,916,100
IEPA Loan	18,156,210	18,156,210	0
Total	$ 29,072,310	$ 18,156,210	$ 10,916,100

Per Capita Direct Bonded Debt (3)	$496.75
Percent of Direct Bonded Debt to 2011 EAV (4)	6.61%
Percent of Direct Debt to estimated 2011 Market Value (5)	2.20%

Overlapping Bonded Debt:	Outstanding Bonds		Percent %	Amount
School Districts				
Rich Township High School District #227	$ 46,730,000	(7)	11.45%	$ 5,350,585
School District #162	41,024,996	(6)	6.65%	2,728,162
School District #163	19,410,000		94.07%	18,258,987
School District #194	3,950,000		2.42%	95,590
School District #201-U	65,768,740	(6)	4.83%	3,176,630
Prairie State Community College #515	12,172,040	(6)	4.52%	550,176
Other than Schools				
Cook County (Includes Forest Preserve District)	3,903,005,000		0.09%	3,512,705
Will County (Includes Forest Preserve District)	163,577,359	(6) (7)	0.17%	278,082
Total Overlapping Bonded Debt:	$ 4,255,638,135			$ 33,950,917

Per Capita Overlapping Debt (3)	$1,544.98
Percent of Overlapping Debt to 2011 EAV (4)	20.56%
Percent of Overlapping Debt to estimated 2011 Market Value (5)	6.85%
Total Direct and Overlapping Bonded Debt:	$44,867,017
Per Capita Direct and Overlapping Debt (3)	$2,041.73
Percent of Direct and Overlapping Debt to 2011 EAV (4)	27.16%
Percent of Direct and Overlapping Debt to estimated 2011 Market Value (5)	9.05%

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(1) Debt information for overlapping and direct debt is as of August, 6, 2012 and the dated date of the bonds, respectively.
(2) Includes the Bonds and excludes the Bonds to be Refunded. Preliminary, subject to change.
(3) Based on the Village's 2010 census population of 21,975.
(4) Based on the Village's 2011 EAV of $165,169,446.
(5) Based on the Village's estimated 2011 Market Value of $495,508,338.
(6) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
(7) Excludes principal amounts of outstanding General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.

Sources: The Village and the Cook and Will County Clerk's Offices.

Debt History

There is no record of default on obligations of the Village.

Short Term Borrowing

The Village does not utilize short-term borrowing.

Future Financing

The Village does not anticipate issuing additional debt in the next twelve months.

LABOR CONTRACTS

The Village has 157 full time employees and approximately 169 part time and seasonal employees. Approximately 34% of the full time employees are represented by labor organizations. The following table illustrates the labor organizations that represent the Village employees, the number of members and the expiration date of the present contracts.

	Membership	Contract Expiration Date
Police Officers and Corporals	32	June 30, 2014
Firefighters and Lieutenants	22	June 30, 2013
Total	54	

Source: The Village

EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Introduction (1)

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and the Firefighters' Pension Plan which is also a single-employer pension plan. Separate reports are not issued for the Police and Firefighters' Pension Plans. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523. The benefits, benefits levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly.

Plan Descriptions, Provisions and Funding Policies (1)

Illinois Municipal Retirement System

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 2% for each year thereafter.

For Tier 2 participants, pension benefits vest after 10 years of service. Participating members who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate of earnings (average of the highest 96 consecutive months' earnings during the last 10 years, capped at $106,800) for credited service up to 15 years and 2% for each year thereafter. However, an employee's total pension cannot exceed 75% of their final rate of earnings. If an employee retires after 10 years of service between the ages of 62 and 67, and has less than 30 years of service credit, the pension will be reduced by 1/2% for each month that the employee is under the age of 67. If an employee retires after 10 years of service between the ages of 62 and 67, and has between 30 and 35 years of service credit, the pension will be reduced by the lesser of 1/2% for each month that the employee is under the age of 67 or 1/2% for each month of service credit less than 35 years. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes.

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the coverage of its own employees in IMRF, as specified by statute. The employer contribution rate for calendar year 2011 used by the Village was 10.52% of annual covered payroll. For calendar year 2010 and 2009, the Village's required contribution rates were 9.56% and 8.69%, respectively.

(1) Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

Plan Descriptions, Provisions and Funding Policies (Continued) (1)

Police Pension Plan

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

As of June 30, 2011, the Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	35
Current Employees	
Vested	23
Nonvested	18
	76

The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

The police pension fund provides retirement benefits as well as death and disability benefits. Participants attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

For Employees hired after January 1, 2011, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final 8- year average salary not to exceed $106,800 (as indexed); Cost-of-living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are 66 2/3% of the Employee's benefit at the time of death.

Covered employees are required to contribute 9.91 % of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Beginning in 2011, the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2041.

Firefighters' Pension Plan

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/4) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

(1) *Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30,* 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

Plan Descriptions, Provisions and Funding Policies (Continued) (1)

Firefighters Pension Plan (Continued)

As of June 30, 2011, the Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	22
Current Employees	
Vested	14
Nonvested	10
	46

The following is a summary of the Firefighters' Pension Fund as provided for in Illinois Compiled Statutes.

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Participants attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by 2.5% of such salary for each additional year of service over 20 years of service through 30 years of service to a maximum of 75% of such salary. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

For Employees hired after January 1, 2011, the annual retirement benefit is 2.5% of final average salary for each year of service up to 30 years, to a maximum of 75% of such salary, the Normal Retirement age is attainment of age 55 and completion of 10 years of service; Early Retirement age is attainment of age 50, completion of 10 years of service and the Early Retirement Factor is 6% per year; the Employee's Accrued Benefit is based on the Employee's final8-year average salary not to exceed $106,800 (as indexed); Cost-of living adjustments are simple increases (not compounded) of the lesser of 3% or 50% of CPI beginning the later of the anniversary date and age 60; Surviving Spouse's Benefits are 66 2/3% of the Employee's benefit at the time of death. Participants contribute a fixed percentage of their base salary to the plans. At June 30, 2011, the contribution percentage was 9.455%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Beginning in 2011, the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded by the year 2041.

Summary of Significant Accounting Policies (1)

Basis of Accounting.

The financial statements of the pension funds are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The costs of administering the plan are financed by contributions made and income earned from investments.

Methods Used to Value Investments.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Fixed-income and equity securities are valued at the last reported trade date on national markets. Investments that do not have any established market, if any, are reported at estimated fair value.

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(1) Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

Annual Pension Cost and Net Pension Obligation (1)

The following is the Net Pension Obligation calculation from the June 30, 2011 actuarial reports for the Police and Firefighters' Pension Plans:

	Police Pension	Firefighters' Pension	Total
Annual required contributions	$ 970,566	$ 698,452	$ 1,669,018
Interest on net pension obligation	(3,813)	418	(3,395)
Adjustment to annual required contribution	2,605	(286)	2,319
Annual pension cost	969,358	698,584	1,667,942
Annual contributions made	1,000,943	732,976	1,733,919
Increase (decrease) in net pension obligation	(31,585)	(34,392)	(65,977)
Net pension obligation (asset), beginning of year	(50,846)	5,579	(45,267)
Net pension obligation (asset), end of year	$ (82,431)	$ (28,813)	$ (111,244)

The Village's annual required contribution for the current year and related information for each plan is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Contribution Rates			
Employer	9.56%	33.33%	39.515%
Employee	4.50%	9.91%	9.455%
Annual Required Contribution (ARC)	$771,751	$970,566	$698,452
Contributions Made	$609,243	$1,000,943	$732,976
Actuarial Valuation Date	12/31/2010	6/30/2011	6/30/2011
Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization Method	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis	Level % of Projected Payroll Closed Basis
Remaining Amortization Period	30 Years	30 Years	30 Years
Asset Valuation Method	5-Year Smoothed Market	3-Year Smoothed Market	3-Year Smoothed Market
Actuarial Assumptions			
Investment Rate of Return	7.50% Compounded Annually	7.0% Compounded Annually	7.0% Compounded Annually
Projected Salary Increases	.4 to 10.0%	5.50%	5.50%
Inflation Rate Included	4.00%	3.00%	3.00%
Cost-of-Living Adjustments	3.00%	3.00%	3.00%

(1) *Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30*, 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

Trend Information (1)

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made:

	Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost (APC)	2009	$548,928	$732,752	$564,092
	2010	581,908	827,722	600,223
	2011	771,751	969,358	698,584
Actual Contributions	2009	548,928	739,740	585,453
	2010	581,908	873,889	646,941
	2011	609,243	1,000,943	732,976
Percentage of APC Contributed	2009	100.00%	100.90%	103.40%
	2010	100.00%	105.60%	107.80%
	2011	78.94%	103.26%	104.90%
Net Pension Obligation (Asset)	2009	-	(4,679)	52,297
	2010	-	(50,846)	5,579
	2011	162,508	(82,431)	(28,813)

Funded Status and Funding Progress (1)

The Village's actuarial value of plan assets for the current year and related information is as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/2010	6/30/2011	6/30/2011
Actuarial Valuation of Assets (a)	$12,305,910	$18,237,495	$9,880,601
Actuarial Accrued Liability (AAL) – Entry Age (b)	$17,890,614	$31,771,323	$18,862,833
Unfunded AAL (UAAL) (b-a)	$5,584,704	$13,533,828	$8,982,232
Funded Ratio (a/b)	68.78%	57.40%	52.38%
Covered Payroll (c)	$6,372,839	$3,003,244	$1,854,945
UAAL as a percentage of Covered Payroll ((b-a)/c)	87.63%	450.64%	484.23%

(1) *Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30,* 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

Retiree Health Plan (1)

The Village administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides access to health insurance for eligible retirees and their spouses through the Village's group health insurance plan, which covers both active and retired members. A retiree is eligible to receive benefits if they fall into anyone of four categories. IMRF participants hired before January 1, 2011 are eligible at age 55 with at least 8 years of service, or if they are totally and permanently disabled. IMRF participants hired after January 1, 2011 are eligible at age 62 with at least 10 years of service, or if they are totally and permanently disabled. Police officers and firefighters are eligible at age 50 with 20 years of service, or if they are medically disabled and unable to perform the duties as a police officer or firefighter. Police officers are eligible for a reduced benefit at age 60 with at least 10 years of service, but less than 20 years. Police officers and firefighters that terminate with a vested benefit are eligible for post-retirement healthcare benefits commencing at the time of separation. Spouses and dependents of retirees are eligible to continue healthcare coverage while the retiree is alive if they were enrolled at the time of retirement. Surviving spouses of employees are eligible for COBRA coverage. Surviving spouses and dependent children of police officers and firefighters that were injured in the line of duty, during an emergency, and surviving spouses of all retirees are eligible to continue healthcare coverage. Retirees, spouses, and dependents opting out of the retiree health program cannot re-enter into the program. There is no separate audited plan report available.

Contribution requirements are established through personnel policy guidelines and may be amended by the action of the governing body. The Village makes the same monthly health insurance contribution on behalf of the retiree as it makes on behalf of all other active employees during that year. Plan members receiving benefits contribute 100 percent of their premium costs. The Village pays 100% of the healthcare premiums for police officers and firefighters, their dependents and their surviving spouses and dependent children if they were injured or killed in the line of duty during an emergency. Healthcare premiums for surviving spouses are payable by the Village until remarriage.

The Village's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the Village's annual OPEB cost for the year, the amount actually contributed to plan, and changes in the Village's net OPEB obligation to the Retiree Health Plan:

Annual required contribution	$240,081
Interest on net OPEB obligation	8,008
Adjustment to annual required contribution	(5,338)
Annual OPEB cost	242,751
Contributions made	(114,587)
Increase in net OPEB obligation (asset)	128,164
Net OPEB Obligation (Asset) – Beginning of Year	288,314
Net OPEB Obligation (Asset) – End of Year	$416,478

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percent of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	$242,751	47.20%	$416,478
2010	242,751	47.20%	288,314
2009	242,407	33.90%	160,150

(1) *Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30,* 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

Retiree Health Plan (Continued) (1)

The funded status of the plan as of June 30, 2010, the most recent actuarial valuation date, was as follows:

Actuarial Accrued Liability (AAL)	$5,223,784
Acturarial value of plan assets	-
Unfunded AAL (UAAL)	$5,223,784
Funded Ratio (actuarial value of plan assets/AAL)	-%
Covered Payroll (active plan members)	$10,384,743
UAAL as a percentage of Covered Payroll	50.30%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the June 30, 2010 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 5.00 percent investment rate of return and an annual healthcare cost trend rate of 8.00 percent initially, reduced by decrements to an ultimate rate of 6.00 percent. Both rates include a 3.00 percent inflation assumption. The actuarial value of Retiree Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The amortization period at June 30, 2010, was 30 years.

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(1) *Source: The Village's Comprehensive Annual Financial Report for the fiscal year ended June 30*, 2011. *See "Appendix A – Audited 2011 Basic Financial Statements and Related Notes" for more financial information on the Village as of the fiscal year ended June 30, 2011.*

SUMMARY OF HISTORICAL FINANCIAL OPERATIONS

Village of Park Forest
General Fund - Balance Sheet
Fiscal Years Ended June 30, 2009 Through 2011

	2009	2010	2011
Assets:			
Cash and investments	$ 6,673,337	$ 10,481,712	$ 11,107,401
Receivables (net allowance for uncollectibles)			
Accounts	293,255	540,837	525,058
Property taxes	5,534,201	5,651,142	5,943,257
Other taxes	417,662	393,157	411,253
Intergovernmental	410,012	1,048,575	856,520
Accrued interest	0	17,529	14,210
Inventories	3,157	4,880	7,333
Prepaid items	714,584	740,781	501,602
Deposit	393,800	393,800	393,800
Due from other funds	138,349	253,184	217,679
Due from other governments	1,590	14,947	43,076
Land held for resale	676,764	698,970	698,970
Total Assets	$ 15,256,711	$ 20,239,514	$ 20,720,159
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ 264,855	$ 487,868	$ 443,340
Accrued payroll	480,898	551,153	615,432
Deposits payable	6,000	26,741	1,000
Other payables	186,962	210,517	195,853
Due to other funds	-	-	-
Due to other governments	80,463	5,980	31,873
Deferred revenue	5,264,713	5,494,423	5,690,708
Total Liabilities	6,283,891	6,776,682	6,978,206
Fund Balance:			
Non-Spendable	0	1,588,431	1,351,705
Restricted	2,621,295	1,107,006	1,074,133
Committed	0	43,673	56,169
Assigned	400,000	4,323,092	3,930,905
Unassigned	5,951,525	6,400,630	7,329,041
Total Fund Balance	8,972,820	13,462,832	13,741,953
Total Liabilities and Fund Balance	$ 15,256,711	$ 20,239,514	$ 20,720,159

Source: The Village's Comprehensive Annual Financial Report for the fiscal years 2009, 2010 and 2011.

Village of Park Forest
General Fund - Statement of Revenues, Expenses and Changes in Fund Balances
Fiscal Years Ended June 30, 2009 Through 2011

	2009	2010	2011
Revenues:			
Property taxes	$ 8,957,458	$ 9,562,249	$ 10,797,047
Other taxes	2,487,570	2,229,461	2,228,223
Licenses, permits and fees	937,604	1,094,714	1,050,641
Intergovernmental	2,284,947	2,014,200	2,143,825
Charges for services	1,597,654	1,651,808	1,707,816
Fines and forfeitures	425,126	767,619	448,918
Interest income	98,932	29,889	129,680
Miscellaneous	492,642	4,982,269	480,716
Total Revenues	17,281,933	22,332,209	18,986,866
Expenditures:			
Current:			
General government	3,064,459	3,190,843	3,145,979
Law enforcement	6,187,799	6,691,616	6,998,883
Fire and emergency	3,219,267	3,382,641	3,599,718
Public health	753,528	793,854	776,930
Recreation and parks	2,244,024	2,073,007	2,106,956
Public works	984,367	901,377	801,361
Streets and transportation	0	0	0
Community development	532,870	498,022	477,276
Economic development	399,360	455,691	512,273
Debt Service			
Principal	0	0	0
Interest	0	0	0
Capital outlay	285,448	229,061	73,862
Total Expenditures	17,671,122	18,216,112	18,493,238
Excess (deficiency) of Revenues Over (Under) Expenditures	(389,189)	4,116,097	493,628
Other financing sources (uses):			
Transfers in	836,176	1,827,442	905,020
Transfers (out)	(1,560,288)	(1,453,527)	(1,119,527)
Total other financing sources (uses)	(724,112)	373,915	(214,507)
Change in fund balance	(1,113,301)	4,490,012	279,121
Fund balance – beginning of year	10,086,121	8,972,820	13,462,832
Fund balance – end of year	$ 8,972,820	$ 13,462,832	$ 13,741,953

Source: The Village's Comprehensive Annual Financial Report for the fiscal years 2009, 2010 and 2011.

ECONOMIC PROFILE

Employment

The following table sets forth the rates of unemployment for the Village, the Counties, the State and the United States for the last five years.

Comparative Unemployment Rates

Year	Village of Park Forest	Cook County	Will County	State of Illinois	United States
2008	7.2	6.4	6.1	6.4	5.8
2009	11.3	10.4	10.2	10.0	9.3
2010	11.7	10.8	10.7	10.5	9.6
2011	11.5	10.4	10.1	9.8	8.9
2012(1)	11.3	9.8	9.6	8.7	8.2

(1) As of June 2012
Source: Illinois Department of Employment Security, Department of Economic Information and Analysis

According to the 2006-2010 American Community Survey 5-year estimates, Village residents have a wide variety of occupations. The following table categorizes occupations for the employed residents 16 years of age and older for the Village, Lake County, Cook County, and the State of Illinois.

Occupational Categories

Occupational Category	Village of Park Forest	Cook County	Will County	State of Illinois
Management, professional, and related occupations	34.3%	36.8%	35.6%	35.6%
Service occupations	19.1	17.0	14.4	16.3
Sales and office occupations	30.3	25.7	26.8	25.8
Construction, extraction, and maintenance occupations	5.4	6.9	9.7	8.1
Production, transportation, and material moving occupations	10.8	13.6	13.4	14.1

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-year estimates.

According to the 2006-2010 American Community Survey 5-year estimates, Village residents work in a variety of industries. The following table categorizes the industries that the residents (16 years of age and older) are employed by for the Village.

Village of Park Forest
Industry Category

Industry Category	Village of Park Forest	Percent
Agriculture, forestry, fishing and hunting, and mining	0	0.0%
Construction	394	3.8
Manufacturing	729	7.1
Wholesale trade	191	1.9
Retail trade	1,238	12.1
Transportation and warehousing, and utilities	794	7.7
Information	172	1.7
Finance, insurance, real estate, and rental and leasing	777	7.6
Professional, scientific, management, administrative, and waste management services	1,013	9.9
Educational, health and social services	3,303	32.2
Arts, entertainment, recreation, accommodation and food services	687	6.7
Other services (except public administration)	496	4.8
Public administration	479	4.7
Total	10,273	100.0%

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-year estimates.

The following table sets forth the major employers in the Village by the products manufactured or services performed and the approximate number of employees.

Village of Park Forest
Representative Large Employers

Company	Business Product	Employees
Ludeman Center	State Facility	753
School District #163	Education	294
Village of Park Forest	Government	271
Continental/Midland LLC	Specialty Fasteners for Auto and Industrial Market	215
High School District #227	Education	153
School District #162	Education	139
Aunt Martha's	Youth Center	76
Imageworks Manufacturing	Printing	55
Victory Center of Park Forest	Assisted Living Community	43
Star Disposal Service	Garbage Disposal Service	40

Sources: Phone canvass of employers, Illinois Manufacturers and Services Directories, Harris Illinois Industrial Directory

Education

The educational background of Village residents as compared to the Counties and the State of Illinois is illustrated in the following table:

Education Levels For Persons 25 Years of Age And Older

	Village of Park Forest	Cook County	Will County	State of Illinois
Less than 9th grade	5.0%	8.2%	4.1%	6.0%
9th or 12th grade, no diploma	7.4	8.6	5.9	7.8
High school graduate	27.2	24.9	28.1	27.9
Some college, no degree	27.5	19.0	23.2	20.8
Associate degree	8.6	6.2	8.0	7.3
Bachelor's degree	13.4	20.1	20.1	18.9
Graduate or professional degree	11.0	13.1	10.6	11.4
Percent high school graduate or higher	87.6	83.2	90.0	86.2
Percent bachelor's degree or higher	24.4	33.2	30.7	30.3

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-year estimates.

Estimated Retail Sales

The following table reflects the breakdown of retail sales according to major purchase categories for the Village, the Counties and the State for the year ended 2011.

2011 Comparative Retail Sales By Classification

	Village of Park Forest		Cook County		Will County		State of Illinois	
	Retail Sales	Percent of Total	Retail Sales	Percent of Total	Retail Sales	Percent of Total	Retail Sales	Percent of Total
General Merchandise	$0	0.00%	$6,172,528,274	10.62%	$943,797,936	12.61%	$18,245,583,249	11.75%
Food	4,154,597	12.76%	8,214,230,477	14.14%	830,557,292	11.09%	19,788,183,764	12.74%
Drinking and Eating Places	2,086,852	6.41%	9,136,908,371	15.73%	726,203,159	9.70%	18,296,970,406	11.78%
Apparel	77,795	0.24%	3,524,800,015	6.07%	240,259,012	3.21%	7,805,409,758	5.03%
Furniture and Radio	14,558	0.04%	2,903,998,199	5.00%	357,289,092	4.77%	7,008,638,077	4.51%
Lumber and Building Hardware	518,157	1.59%	2,324,070,329	4.00%	462,616,891	6.18%	7,481,490,406	4.82%
Automotive and Gas Stations	7,930,527	24.37%	10,838,712,970	18.65%	1,785,892,718	23.86%	33,851,182,845	21.80%
Drugs and Miscellaneous Retail	11,361,612	34.91%	8,917,204,070	15.35%	1,146,920,778	15.32%	23,107,259,993	14.88%
Agriculture and All Others	4,254,478	13.07%	5,042,731,005	8.68%	832,965,623	11.13%	16,738,033,660	10.78%
Manufacturers	204,183	0.63%	1,026,880,147	1.77%	159,861,187	2.14%	2,975,527,471	1.92%
Totals	$32,548,757	100.00%	$58,102,063,857	100.00%	$7,486,363,688	100.00%	$155,298,279,629	100.00%

Source: Illinois Department of Revenue

Housing and Construction

A history of building permits in the Village for the last five calendar years is as follows:

Building Permits

	Residential		Commercial	
Year	Number of Units	Value	Number of Units	Value
2007	506	$ 3,980,966	105	$ 4,784,915
2008	570	2,358,330	79	3,282,064
2009	583	2,267,900	92	5,314,120
2010	681	3,270,345	98	5,015,207
2011	503	1,887,503	115	3,158,528

Source: The Village

Selected home value data derived from the 2006-2010 American Community Survey 5-year estimates relative to values of owner-occupied housing units in the Village, Cook County, Will County, and the State of Illinois are as follows:

Home Values

Value of Specified Owner-Occupied Units	Village of Park Forest	Cook County	Will County	State of Illinois
Under 50,000	23.5%	2.5%	2.1%	6.5%
$50,000 to $99,999	17.0	4.4	3.0	13.7
$100,000 to $149,999	39.0	9.4	9.9	13.8
$150,000 to $199,999	15.5	14.8	19.2	15.3
$200,000 to $299,999	3.1	26.8	33.0	21.9
$300,000 or more	0.7	42.0	25.4	28.7

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-year estimates.

Income

The following table sets forth the household income by category derived from the 2006-2010 American Community Survey 5-year estimates for the Village, Cook County, Will County, and the State of Illinois.

Household Income

Household Income	Village of Park Forest	Cook County	Will County	State of Illinois
Under $10,000	7.2%	8.1%	3.1%	6.9%
$10,000 to $14,999	5.0	5.0	2.5	4.8
$15,000 to $24,999	12.8	10.5	6.3	10.1
$25,000 to $34,999	10.3	9.6	7.2	9.7
$35,000 to $49,999	17.6	13.3	11.0	13.5
$50,000 to $74,999	22.0	18.0	19.2	18.8
$75,000 to $99,999	14.4	12.4	17.3	13.2
$100,000 to $149,999	7.9	12.9	20.5	13.5
$150,000 to $199,999	2.4	4.8	7.9	4.8
$200,000 or more	0.3	5.3	5.0	4.7
Median household income	$48,291	$53,942	$75,906	$55,735

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-year estimates.

BOND RATING

Moody's Investors Service has assigned its rating of "___" to the Bonds. There is no assurance that such rating will prevail for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agency if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds. Any rating assigned represents only the view of the rating agency. The definitions furnished by the rating agency for its rating may be obtained from the rating agency.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the Bonds.

Ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the Bonds is the price at which a substantial amount of such maturity of the Bonds is first sold to the public. The Issue Price of a maturity of the Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the Issue Price of a maturity of the Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the Bonds (the "OID Bonds") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Village complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Illinois Department of Revenue under Illinois income tax law, accreted original issue discount on such OID Bonds is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of Bonds who dispose of Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase Bonds in the initial public offering, but at a price different from the Issue Price or purchase Bonds subsequent to the initial public offering should consult their own tax advisors.

If a Bond is purchased at any time for a price that is less than the Bond's stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount (the "Revised Issue Price"), the purchaser will be treated as having purchased a Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Bonds.

An investor may purchase a Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the Bond. Investors who purchase a Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Bonds. If an audit is commenced, under current procedures the Service may treat the Village as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Bonds is not exempt from present State of Illinois income taxes. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Bonds. Prospective purchasers of the Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the Village's compliance with certain covenants, in the opinion of Bond Counsel, the Bonds are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (the "Bond Counsel") who has been retained by, and acts as, Bond Counsel to the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the Village reviewed only those portions of the Official Statement involving the description of the Bonds, the security for the Bonds (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax exemption of interest on the Bonds and the "bank qualified" status of the Bonds, if any. This review was undertaken solely at the request of the Village and did not include any obligation to establish or confirm factual matters set forth herein.

CONTINUING DISCLOSURE

The Village will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") under the Securities Exchange Act of 1934. The information to be provided on an annual basis pursuant to the Undertaking, the types of events which will be noticed on an occurrence basis and a summary of other terms of the Undertaking, including termination, amendment and remedies, are set forth below under "The Undertaking."

A failure by the Village to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. See "The Undertaking—Consequences of Failure of the Village to Provide Information." A failure by the Village to comply with the Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The Village failed to file its Annual Financial Information and Audited Financial Statements, as defined below, to the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access System (EMMA) for the fiscal years ended June 30, 2009 through June 30, 2011 within the time periods specified in a prior continuing disclosure undertaking. As of the date of this Official Statement, the Village has filed such Annual Financial Information and Audited Financial Statements to EMMA. Prior to June 30, 2009, the Village also failed to file its Financial Information and Audited Financial Statements, to each of the Nationally Recognized Municipal Securities Information Repository (a "*NRMSIR*"), having filed annually to only three of the four NRMSIRs. The Village is establishing procedures to ensure that such information will be filed in a timely manner in the future.

Bond Counsel expresses no opinion as to whether the Undertaking complies with the requirements of Section (b)(5) of the Rule.

THE UNDERTAKING

The following is a brief summary of certain provisions of the Undertaking of the Village and does not purport to be complete. The statements made under this caption are subject to the detailed provisions of the Undertaking, a copy of which is available upon request from the Village.

Annual Financial Information Disclosure

The Village covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements, if any (as described below) annually to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. The Village is required to deliver such information within 210 days after the last day of the Village's fiscal year (currently June 30). MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

"Annual Financial Information" means the financial information and operating data consistent with the information contained in the Official Statement under the sections: "REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES" and "VILLAGE DEBT" (excluding Overlapping Debt).

"Audited Financial Statements" means the combined financial statements of the Village prepared in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States.

Reportable Events Disclosure

The Village covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to the MSRB in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission or the State at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. The "Events" are:

- Principal and interest payment delinquencies
- Non-payment related defaults, if material
- Unscheduled draws on debt service reserves reflecting financial difficulties
- Unscheduled draws on credit enhancements reflecting financial difficulties
- Substitution of credit or liquidity providers, or their failure to perform
- Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
- Modifications to the rights of security holders, if material
- Bond calls, if material, and tender offers
- Defeasances
- Release, substitution or sale of property securing repayment of the securities, if material
- Rating changes
- Bankruptcy, insolvency, receivership or similar event of the Issuer*
- The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
- Appointment of a successor or additional trustee or the change of name of a trustee, if material

Consequences of Failure of the Village to Provide Information

The Village shall give notice in a timely manner to the MSRB of any failure to provide disclosure of Annual Financial Information and Audited Financial Statements when the same are due under the Undertaking.

In the event of a failure of the Village to comply with any provision of the Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order to cause the Village to comply with its obligations under the Undertaking. A default under the Undertaking shall not be deemed a default under the Ordinance, and the sole remedy under the Undertaking in the event of any failure of the Village to comply with the Undertaking shall be an action to compel performance.

Amendment; Waiver

Notwithstanding any other provision of the Undertaking, the Village by resolution authorizing such amendment or waiver, may amend the Undertaking, and any provision of the Undertaking may be waived, if:

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* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(a)(i) The amendment or the waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including, without limitation, pursuant to a "no-action" letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the Village, or type of business conducted; or

(ii) The Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined by parties unaffiliated with the Village (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority approves or requires Annual Financial Information or notices of a Reportable Event to be filed with a central post office, governmental agency or similar entity other than the MSRB or in lieu of the MSRB, the Village shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending the Undertaking.

Termination of Undertaking

The Undertaking shall be terminated if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Ordinance. The Village shall give notice to the MSRB in a timely manner if this paragraph is applicable.

Additional Information

Nothing in the Undertaking shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in the Undertaking or any other means of communication, or including any other information in any Annual Financial Information or Audited Financial Statements or notice of occurrence of a Reportable Event, in addition to that which is required by the Undertaking. If the Village chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by the Undertaking, the Village shall have no obligation under the Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

Dissemination of Information; Dissemination Agent

When filings are required to be made with the MSRB in accordance with the Undertaking, such filings are required to be made through its Electronic Municipal Market Access (EMMA) system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under the Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

LITIGATION

The Village is a defendant in certain legal matters relating to zoning and building code violations. A settlement conference has been held in which the plaintiffs demanded in excess of $20 million to settle all claims. The Village has rejected this request, briefings have been filed, and a determination by the court on this matter has yet to be made.

From time to time, the Village is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

Further, the Village carries $10,000,000 of general liability insurance and an additional $10,000,000 of Public Official Liability insurance per occurrence to cover against losses.

There is no controversy or litigation of any nature now pending against the Village, or to the knowledge of its officers, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Village taken with respect to the issuance or sale thereof, or the pledge or application or any moneys or security provided for the payment of the Bonds or the existence of the Village or any of its powers, or the use of the proceeds of the Bonds.

There is no other controversy of any nature now pending against the Village, or to the knowledge of its officers, threatened, which, if successful, would materially adversely affect the operations or financial condition of the Village.

UNDERWRITING

Robert W. Baird & Co. (the "Underwriter"), has agreed to purchase the 2012A Bonds from the Village pursuant to a bond purchase agreement (the "Bond Purchase Agreement") at an aggregate purchase price of $______ ($_____ plus a reoffering premium of $______ and less an underwriter's discount of $________). The Underwriter is committed to take and pay for all of the 2012A Bonds if any are taken. The 2012A Bonds are being offered for sale to the public at the prices shown on the inside cover of this Official Statement. The Underwriter may offer and sell the 2012A Bonds to certain dealers (including dealers depositing 2012A Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover page hereof, which may be changed after the initial offering by the Underwriter.

Robert W. Baird & Co. (the "Underwriter"), has agreed to purchase the 2012B Bonds from the Village pursuant to a bond purchase agreement (the "Bond Purchase Agreement") at an aggregate purchase price of $______ ($_____ plus a reoffering premium of $______ and less an underwriter's discount of $________). The Underwriter is committed to take and pay for all of the 2012B Bonds if any are taken. The 2012B Bonds are being offered for sale to the public at the prices shown on the inside cover of this Official Statement. The Underwriter may offer and sell the 2012B Bonds to certain dealers (including dealers depositing 2012B Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover page hereof, which may be changed after the initial offering by the Underwriter.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Bond Counsel has not participated in the preparation of this Official Statement and will not pass on its accuracy, completeness or sufficiency. Bond Counsel has not examined or attempted to examine or verify any of the financial or statistical statements or data contained in this Official Statement, and will express no opinion with respect thereto. The execution and delivery of this Official Statement by its Mayor has been duly authorized by the Village.

In accordance with SEC Rule 15c2-12, the Preliminary Official Statement is deemed Final.

OFFICIAL STATEMENT AUTHORIZATION

The Village will provide to the Underwriter at the time of delivery of the Bonds, a certificate confirming to the Underwriter that, to the best of its knowledge and belief, the Official Statement with respect to the Bonds, together with any supplements thereto at the time of delivery of the Bonds, was true and correct in all material respects and did not at any time contain any untrue statement of a material fact or omit to state a material fact required to be stated, where necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

This Official Statement has been duly executed and delivered by the Village.

Village of Park Forest, Cook and Will Counties, Illinois

By: /s/______________________
Its: Mayor

Appendix A

Village of Park Forest

BASIC FINANCIAL STATEMENTS AND RELATED NOTES

Fiscal Year Ended June 30, 2011

This Appendix contains the Independent Auditor's Report, and the general purpose financial statements (excluding supplemental financial information) and related notes for the fiscal year ended June 30, 2011. The supplemental financial information for the fiscal year ended June 30, 2011, is available from the Village upon request.

Appendix B

FORMS OF APPROVING OPINIONS

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Table of Contents

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Debt Service Comparison

Date	Total P+I	Non-Refunded	Total	Old Net D/S	Savings
01/01/2013	27,974.12	241,051.24	269,025.36	269,025.36	-
01/01/2014	445,755.00	-	445,755.00	473,922.52	28,167.52
01/01/2015	459,155.00	-	459,155.00	490,402.52	31,247.52
01/01/2016	482,155.00	-	482,155.00	506,337.50	24,182.50
01/01/2017	499,555.00	-	499,555.00	525,657.50	26,102.50
01/01/2018	514,430.00	-	514,430.00	543,085.00	28,655.00
01/01/2019	536,530.00	-	536,530.00	563,585.00	27,055.00
01/01/2020	552,580.00	-	552,580.00	581,870.00	29,290.00
01/01/2021	282,730.00	-	282,730.00	367,900.00	85,170.00
01/01/2022	290,530.00	-	290,530.00	373,620.00	83,090.00
01/01/2023	297,880.00	-	297,880.00	388,320.00	90,440.00
01/01/2024	309,510.00	-	309,510.00	400,500.00	90,990.00
01/01/2025	320,230.00	-	320,230.00	411,060.00	90,830.00
Total	**$5,019,014.12**	**$241,051.24**	**$5,260,065.36**	**$5,895,285.40**	**$635,220.04**

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	635,220.04
Gross PV Debt Service Savings	592,956.83
Net PV Cashflow Savings @ 2.653%(Bond Yield)	592,956.83
Transfers from Prior Issue Debt Service Fund	(78,987.14)
Contingency or Rounding Amount	3,821.03
Net Present Value Benefit	$517,790.72
Net PV Benefit / $4,175,000 Refunded Principal	12.402%
Average Annual Cash Flow Savings	48,863.08

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Total Issue Sources And Uses

Dated 10/04/2012 | Delivered 10/04/2012

	Series 2012A - TIF Fund Portion	Series 2012B - Debt Service Fund Portion	Issue Summary
SOURCES OF FUNDS			
Par Amount of Bonds	$1,585,000.00	$2,635,000.00	$4,220,000.00
Transfers from Prior Issue Debt Service Funds	30,167.59	48,819.55	78,987.14
Reoffering Premium	40,398.20	29,961.85	70,360.05
TOTAL SOURCES	**$1,655,565.79**	**$2,713,781.40**	**$4,369,347.19**
USES OF FUNDS			
Deposit to Current Refunding Fund	1,621,263.88	2,659,862.28	4,281,126.16
Costs of Issuance	31,700.00	52,700.00	84,400.00
Rounding Amount	2,601.91	1,219.12	3,821.03
TOTAL USES	**$1,655,565.79**	**$2,713,781.40**	**$4,369,347.19**

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Non-Refunded	Total
01/01/2013	-	-	27,974.12	27,974.12	241,051.24	269,025.36
01/01/2014	330,000.00	2.000%	115,755.00	445,755.00	-	445,755.00
01/01/2015	350,000.00	2.000%	109,155.00	459,155.00	-	459,155.00
01/01/2016	380,000.00	2.000%	102,155.00	482,155.00	-	482,155.00
01/01/2017	405,000.00	2.500%	94,555.00	499,555.00	-	499,555.00
01/01/2018	430,000.00	3.000%	84,430.00	514,430.00	-	514,430.00
01/01/2019	465,000.00	3.000%	71,530.00	536,530.00	-	536,530.00
01/01/2020	495,000.00	3.000%	57,580.00	552,580.00	-	552,580.00
01/01/2021	240,000.00	3.000%	42,730.00	282,730.00	-	282,730.00
01/01/2022	255,000.00	3.000%	35,530.00	290,530.00	-	290,530.00
01/01/2023	270,000.00	3.100%	27,880.00	297,880.00	-	297,880.00
01/01/2024	290,000.00	3.200%	19,510.00	309,510.00	-	309,510.00
01/01/2025	310,000.00	3.300%	10,230.00	320,230.00	-	320,230.00
Total	**$4,220,000.00**	**-**	**$799,014.12**	**$5,019,014.12**	**$241,051.24**	**$5,260,065.36**

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Proof Of Bond Yield @ 2.6532439%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
10/04/2012	-	1.0000000x	-	-
01/01/2013	27,974.12	0.9936504x	27,796.50	27,796.50
07/01/2013	57,877.50	0.9806410x	56,757.05	84,553.54
01/01/2014	387,877.50	0.9678019x	375,388.59	459,942.14
07/01/2014	54,577.50	0.9551309x	52,128.66	512,070.80
01/01/2015	404,577.50	0.9426259x	381,365.22	893,436.01
07/01/2015	51,077.50	0.9302845x	47,516.61	940,952.62
01/01/2016	431,077.50	0.9181047x	395,774.29	1,336,726.91
07/01/2016	47,277.50	0.9060844x	42,837.41	1,379,564.32
01/01/2017	452,277.50	0.8942215x	404,436.25	1,784,000.57
07/01/2017	42,215.00	0.8825139x	37,255.32	1,821,255.90
01/01/2018	472,215.00	0.8709595x	411,280.15	2,232,536.04
07/01/2018	35,765.00	0.8595565x	30,742.04	2,263,278.08
01/01/2019	500,765.00	0.8483027x	424,800.29	2,688,078.37
07/01/2019	28,790.00	0.8371963x	24,102.88	2,712,181.25
01/01/2020	523,790.00	0.8262352x	432,773.75	3,144,955.01
07/01/2020	21,365.00	0.8154177x	17,421.40	3,162,376.41
01/01/2021	261,365.00	0.8047418x	210,331.35	3,372,707.76
07/01/2021	17,765.00	0.7942057x	14,109.06	3,386,816.82
01/01/2022	272,765.00	0.7838076x	213,795.27	3,600,612.10
07/01/2022	13,940.00	0.7735455x	10,783.22	3,611,395.32
01/01/2023	283,940.00	0.7634179x	216,764.87	3,828,160.20
07/01/2023	9,755.00	0.7534228x	7,349.64	3,835,509.83
01/01/2024	299,755.00	0.7435586x	222,885.41	4,058,395.24
07/01/2024	5,115.00	0.7338235x	3,753.51	4,062,148.75
01/01/2025	315,115.00	0.7242159x	228,211.30	4,290,360.05
Total	**$5,019,014.12**	**-**	**$4,290,360.05**	**-**

Derivation Of Target Amount

Par Amount of Bonds	$4,220,000.00
Reoffering Premium or (Discount)	70,360.05
Original Issue Proceeds	$4,290,360.05

Current Refunding Escrow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
10/04/2012	-	-	-	1.16	-	1.16
01/01/2013	4,281,125.00	0.080%	835.10	4,281,960.10	4,281,961.26	-
Total	**$4,281,125.00**	**-**	**$835.10**	**$4,281,961.26**	**$4,281,961.26**	**-**

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Unrestricted
Cash Deposit	1.16
Cost of Investments Purchased with Bond Proceeds	4,281,125.00
Total Cost of Investments	$4,281,126.16
Target Cost of Investments at bond yield	$4,254,769.50
Actual positive or (negative) arbitrage	(26,356.66)
Yield to Receipt	0.0807252%
Yield for Arbitrage Purposes	2.6535402%
State and Local Government Series (SLGS) rates for	7/31/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Escrow Summary Cost

Maturity	Type	Coupon	Yield	$ Price	Par Amount	Principal Cost	+Accrued Interest	= Total Cost
Escrow								
01/01/2013	SLGS-CI	0.080%	0.080%	100.0000000%	4,281,125	4,281,125.00	-	4,281,125.00
Subtotal		**-**	**-**	**-**	**$4,281,125**	**$4,281,125.00**	**-**	**$4,281,125.00**
Total		**-**	**-**	**-**	**$4,281,125**	**$4,281,125.00**	**-**	**$4,281,125.00**

Escrow

Cash Deposit	1.16
Cost of Investments Purchased with Bond Proceeds	4,281,125.00
Total Cost of Investments	$4,281,126.16

Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Primary Purpose Fund Proof Of Yield @ 0.0807252%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
10/04/2012	-	1.0000000x	-	-
01/01/2013	4,281,960.10	0.9998050x	4,281,125.00	4,281,125.00
Total	**$4,281,960.10**	**-**	**$4,281,125.00**	**-**

Composition Of Initial Deposit

Cost of Investments Purchased with Bond Proceeds	4,281,125.00
Adjusted Cost of Investments	4,281,125.00

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012 / Preliminary as of July 31, 2012

Debt Service To Maturity And To Call

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Interest	Refunded D/S
10/04/2012	-	-	-	-	-	-
01/01/2013	4,175,000.00	106,961.26	4,281,961.26	-	106,961.26	106,961.26
07/01/2013	-	-	-	-	106,961.26	106,961.26
01/01/2014	-	-	-	260,000.00	106,961.26	366,961.26
07/01/2014	-	-	-	-	100,201.26	100,201.26
01/01/2015	-	-	-	290,000.00	100,201.26	390,201.26
07/01/2015	-	-	-	-	93,168.75	93,168.75
01/01/2016	-	-	-	320,000.00	93,168.75	413,168.75
07/01/2016	-	-	-	-	85,328.75	85,328.75
01/01/2017	-	-	-	355,000.00	85,328.75	440,328.75
07/01/2017	-	-	-	-	76,542.50	76,542.50
01/01/2018	-	-	-	390,000.00	76,542.50	466,542.50
07/01/2018	-	-	-	-	66,792.50	66,792.50
01/01/2019	-	-	-	430,000.00	66,792.50	496,792.50
07/01/2019	-	-	-	-	55,935.00	55,935.00
01/01/2020	-	-	-	470,000.00	55,935.00	525,935.00
07/01/2020	-	-	-	-	43,950.00	43,950.00
01/01/2021	-	-	-	280,000.00	43,950.00	323,950.00
07/01/2021	-	-	-	-	36,810.00	36,810.00
01/01/2022	-	-	-	300,000.00	36,810.00	336,810.00
07/01/2022	-	-	-	-	29,160.00	29,160.00
01/01/2023	-	-	-	330,000.00	29,160.00	359,160.00
07/01/2023	-	-	-	-	20,250.00	20,250.00
01/01/2024	-	-	-	360,000.00	20,250.00	380,250.00
07/01/2024	-	-	-	-	10,530.00	10,530.00
01/01/2025	-	-	-	390,000.00	10,530.00	400,530.00
Total	**$4,175,000.00**	**$106,961.26**	**$4,281,961.26**	**$4,175,000.00**	**$1,558,221.30**	**$5,733,221.30**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/04/2012
Average Life	6.929 Years
Average Coupon	5.3863720%
Weighted Average Maturity (Par Basis)	6.929 Years

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

Dated: October 4, 2012

(TIF Fund Portion)

Debt Service Comparison

Date	Total P+I	Non-Refunded	Total	Old Net D/S	Savings
01/01/2013	9,793.54	129,119.35	138,912.89	138,912.89	-
01/01/2014	225,525.00	-	225,525.00	219,192.26	(6,332.74)
01/01/2015	231,825.00	-	231,825.00	228,019.22	(3,805.78)
01/01/2016	242,925.00	-	242,925.00	236,555.26	(6,369.74)
01/01/2017	253,725.00	-	253,725.00	246,904.22	(6,820.78)
01/01/2018	263,100.00	-	263,100.00	256,238.46	(6,861.54)
01/01/2019	270,900.00	-	270,900.00	267,219.26	(3,680.74)
01/01/2020	283,250.00	-	283,250.00	277,014.60	(6,235.40)
01/01/2021	-	-	-	53,278.98	53,278.98
01/01/2022	-	-	-	50,299.08	50,299.08
01/01/2023	-	-	-	55,043.86	55,043.86
01/01/2024	-	-	-	56,980.46	56,980.46
01/01/2025	-	-	-	58,676.18	58,676.18
Total	**$1,781,043.54**	**$129,119.35**	**$1,910,162.89**	**$2,144,334.73**	**$234,171.84**

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	234,171.84
Gross PV Debt Service Savings	204,642.40
Net PV Cashflow Savings @ 2.653%(Bond Yield)	204,642.40
Transfers from Prior Issue Debt Service Fund	(30,167.59)
Contingency or Rounding Amount	2,601.91
Net Present Value Benefit	$177,076.72
Net PV Benefit / $1,581,619 Refunded Principal	11.196%
Average Annual Cash Flow Savings	18,013.22

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

Dated: October 4, 2012

(TIF Fund Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
10/04/2012	-	-	-	-	-
01/01/2013	-	-	9,793.54	9,793.54	9,793.54
07/01/2013	-	-	20,262.50	20,262.50	-
01/01/2014	185,000.00	2.000%	20,262.50	205,262.50	225,525.00
07/01/2014	-	-	18,412.50	18,412.50	-
01/01/2015	195,000.00	2.000%	18,412.50	213,412.50	231,825.00
07/01/2015	-	-	16,462.50	16,462.50	-
01/01/2016	210,000.00	2.000%	16,462.50	226,462.50	242,925.00
07/01/2016	-	-	14,362.50	14,362.50	-
01/01/2017	225,000.00	2.500%	14,362.50	239,362.50	253,725.00
07/01/2017	-	-	11,550.00	11,550.00	-
01/01/2018	240,000.00	3.000%	11,550.00	251,550.00	263,100.00
07/01/2018	-	-	7,950.00	7,950.00	-
01/01/2019	255,000.00	3.000%	7,950.00	262,950.00	270,900.00
07/01/2019	-	-	4,125.00	4,125.00	-
01/01/2020	275,000.00	3.000%	4,125.00	279,125.00	283,250.00
Total	**$1,585,000.00**	**-**	**$196,043.54**	**$1,781,043.54**	**-**

Yield Statistics

Bond Year Dollars	$7,143.04
Average Life	4.507 Years
Average Coupon	2.7445387%
Net Interest Cost (NIC)	2.1789785%
True Interest Cost (TIC)	2.1369325%
Bond Yield for Arbitrage Purposes	2.6532439%
All Inclusive Cost (AIC)	2.6059937%

IRS Form 8038

Net Interest Cost	2.1168786%
Weighted Average Maturity	4.524 Years

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

Dated: October 4, 2012

(TIF Fund Portion)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Non-Refunded	Total
01/01/2013	-	-	9,793.54	9,793.54	129,119.35	138,912.89
01/01/2014	185,000.00	2.000%	40,525.00	225,525.00	-	225,525.00
01/01/2015	195,000.00	2.000%	36,825.00	231,825.00	-	231,825.00
01/01/2016	210,000.00	2.000%	32,925.00	242,925.00	-	242,925.00
01/01/2017	225,000.00	2.500%	28,725.00	253,725.00	-	253,725.00
01/01/2018	240,000.00	3.000%	23,100.00	263,100.00	-	263,100.00
01/01/2019	255,000.00	3.000%	15,900.00	270,900.00	-	270,900.00
01/01/2020	275,000.00	3.000%	8,250.00	283,250.00	-	283,250.00
Total	**$1,585,000.00**	**-**	**$196,043.54**	**$1,781,043.54**	**$129,119.35**	**$1,910,162.89**

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012A

Dated: October 4, 2012

(TIF Fund Portion)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
01/01/2014	Serial Coupon	2.000%	1.200%	185,000.00	100.982%	186,816.70
01/01/2015	Serial Coupon	2.000%	1.400%	195,000.00	101.318%	197,570.10
01/01/2016	Serial Coupon	2.000%	1.600%	210,000.00	101.257%	212,639.70
01/01/2017	Serial Coupon	2.500%	1.850%	225,000.00	102.638%	230,935.50
01/01/2018	Serial Coupon	3.000%	2.100%	240,000.00	104.443%	250,663.20
01/01/2019	Serial Coupon	3.000%	2.350%	255,000.00	103.750%	264,562.50
01/01/2020	Serial Coupon	3.000%	2.600%	275,000.00	102.622%	282,210.50
Total	-	-	-	**$1,585,000.00**	-	**$1,625,398.20**

Bid Information

Par Amount of Bonds	$1,585,000.00
Reoffering Premium or (Discount)	40,398.20
Gross Production	$1,625,398.20
Bid (102.549%)	1,625,398.20
Total Purchase Price	$1,625,398.20
Bond Year Dollars	$7,143.04
Average Life	4.507 Years
Average Coupon	2.7445387%
Net Interest Cost (NIC)	2.1789785%
True Interest Cost (TIC)	2.1369325%

Village of Park Forest, IL

General Obligation Bonds, Series 2001

Dated: December 10, 2001

TIF Fund Portion

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/04/2012	-	-	-	-	-	-	-
01/01/2013	1,581,619.00	39,961.13	1,621,580.13	-	5.150%	39,961.13	39,961.13
07/01/2013	-	-	-	-	-	39,961.13	39,961.13
01/01/2014	-	-	-	139,270.00	5.200%	39,961.13	179,231.13
07/01/2014	-	-	-	-	-	36,340.11	36,340.11
01/01/2015	-	-	-	155,339.00	4.850%	36,340.11	191,679.11
07/01/2015	-	-	-	-	-	32,573.13	32,573.13
01/01/2016	-	-	-	171,409.00	4.900%	32,573.13	203,982.13
07/01/2016	-	-	-	-	-	28,373.61	28,373.61
01/01/2017	-	-	-	190,157.00	4.950%	28,373.61	218,530.61
07/01/2017	-	-	-	-	-	23,667.23	23,667.23
01/01/2018	-	-	-	208,904.00	5.000%	23,667.23	232,571.23
07/01/2018	-	-	-	-	-	18,444.63	18,444.63
01/01/2019	-	-	-	230,330.00	5.050%	18,444.63	248,774.63
07/01/2019	-	-	-	-	-	12,628.80	12,628.80
01/01/2020	-	-	-	251,757.00	5.100%	12,628.80	264,385.80
07/01/2020	-	-	-	-	-	6,208.99	6,208.99
01/01/2021	-	-	-	40,861.00	5.100%	6,208.99	47,069.99
07/01/2021	-	-	-	-	-	5,167.04	5,167.04
01/01/2022	-	-	-	39,965.00	5.100%	5,167.04	45,132.04
07/01/2022	-	-	-	-	-	4,147.93	4,147.93
01/01/2023	-	-	-	46,748.00	5.400%	4,147.93	50,895.93
07/01/2023	-	-	-	-	-	2,885.73	2,885.73
01/01/2024	-	-	-	51,209.00	5.400%	2,885.73	54,094.73
07/01/2024	-	-	-	-	-	1,503.09	1,503.09
01/01/2025	-	-	-	55,670.00	5.400%	1,503.09	57,173.09
Total	**$1,581,619.00**	**$39,961.13**	**$1,621,580.13**	**$1,581,619.00**	**-**	**$463,763.97**	**$2,045,382.97**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/04/2012
Average Life	5.489 Years
Average Coupon	5.1043224%
Weighted Average Maturity (Par Basis)	5.489 Years

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Bonds, Series 2001

Dated: December 10, 2001

TIF Fund Portion

Current Outstanding Debt Service

Date	Principal	Coupon	Interest	Total P+I
01/01/2013	125,878.00	5.150%	3,241.35	129,119.35
Total	**$125,878.00**	**-**	**$3,241.35**	**$129,119.35**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/04/2012
Average Life	0.242 Years
Average Coupon	5.1499865%
Weighted Average Maturity (Par Basis)	0.242 Years

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012

(Debt Service Fund Portion)

Debt Service Comparison

Date	Total P+I	Existing D/S	Net New D/S	Old Net D/S	Savings
01/01/2013	18,180.58	111,931.89	130,112.47	130,112.47	-
01/01/2014	220,230.00	-	220,230.00	254,730.26	34,500.26
01/01/2015	227,330.00	-	227,330.00	262,383.30	35,053.30
01/01/2016	239,230.00	-	239,230.00	269,782.24	30,552.24
01/01/2017	245,830.00	-	245,830.00	278,753.28	32,923.28
01/01/2018	251,330.00	-	251,330.00	286,846.54	35,516.54
01/01/2019	265,630.00	-	265,630.00	296,365.74	30,735.74
01/01/2020	269,330.00	-	269,330.00	304,855.40	35,525.40
01/01/2021	282,730.00	-	282,730.00	314,621.02	31,891.02
01/01/2022	290,530.00	-	290,530.00	323,320.92	32,790.92
01/01/2023	297,880.00	-	297,880.00	333,276.14	35,396.14
01/01/2024	309,510.00	-	309,510.00	343,519.54	34,009.54
01/01/2025	320,230.00	-	320,230.00	352,383.82	32,153.82
Total	**$3,237,970.58**	**$111,931.89**	**$3,349,902.47**	**$3,750,950.67**	**$401,048.20**

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings	401,048.20
Gross PV Debt Service Savings	388,314.44
Net PV Cashflow Savings @ 2.653%(Bond Yield)	388,314.44
Transfers from Prior Issue Debt Service Fund	(48,819.55)
Contingency or Rounding Amount	1,219.12
Net Present Value Benefit	$340,714.01
Net PV Benefit / $2,593,381 Refunded Principal	13.138%
Average Annual Cash Flow Savings	30,849.86

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012

(Debt Service Fund Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Total
10/04/2012	-	-	-	-	-
01/01/2013	-	-	18,180.58	18,180.58	18,180.58
07/01/2013	-	-	37,615.00	37,615.00	-
01/01/2014	145,000.00	2.000%	37,615.00	182,615.00	220,230.00
07/01/2014	-	-	36,165.00	36,165.00	-
01/01/2015	155,000.00	2.000%	36,165.00	191,165.00	227,330.00
07/01/2015	-	-	34,615.00	34,615.00	-
01/01/2016	170,000.00	2.000%	34,615.00	204,615.00	239,230.00
07/01/2016	-	-	32,915.00	32,915.00	-
01/01/2017	180,000.00	2.500%	32,915.00	212,915.00	245,830.00
07/01/2017	-	-	30,665.00	30,665.00	-
01/01/2018	190,000.00	3.000%	30,665.00	220,665.00	251,330.00
07/01/2018	-	-	27,815.00	27,815.00	-
01/01/2019	210,000.00	3.000%	27,815.00	237,815.00	265,630.00
07/01/2019	-	-	24,665.00	24,665.00	-
01/01/2020	220,000.00	3.000%	24,665.00	244,665.00	269,330.00
07/01/2020	-	-	21,365.00	21,365.00	-
01/01/2021	240,000.00	3.000%	21,365.00	261,365.00	282,730.00
07/01/2021	-	-	17,765.00	17,765.00	-
01/01/2022	255,000.00	3.000%	17,765.00	272,765.00	290,530.00
07/01/2022	-	-	13,940.00	13,940.00	-
01/01/2023	270,000.00	3.100%	13,940.00	283,940.00	297,880.00
07/01/2023	-	-	9,755.00	9,755.00	-
01/01/2024	290,000.00	3.200%	9,755.00	299,755.00	309,510.00
07/01/2024	-	-	5,115.00	5,115.00	-
01/01/2025	310,000.00	3.300%	5,115.00	315,115.00	320,230.00
Total	**$2,635,000.00**	**-**	**$602,970.58**	**$3,237,970.58**	**-**

Yield Statistics

Bond Year Dollars	$19,896.79
Average Life	7.551 Years
Average Coupon	3.0304915%
Net Interest Cost (NIC)	2.8799052%
True Interest Cost (TIC)	2.8491474%
Bond Yield for Arbitrage Purposes	2.6532439%
All Inclusive Cost (AIC)	3.1520698%

IRS Form 8038

Net Interest Cost	2.8617392%
Weighted Average Maturity	7.513 Years

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012

(Debt Service Fund Portion)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	Existing D/S	Net New D/S
01/01/2013	-	-	18,180.58	18,180.58	111,931.89	130,112.47
01/01/2014	145,000.00	2.000%	75,230.00	220,230.00	-	220,230.00
01/01/2015	155,000.00	2.000%	72,330.00	227,330.00	-	227,330.00
01/01/2016	170,000.00	2.000%	69,230.00	239,230.00	-	239,230.00
01/01/2017	180,000.00	2.500%	65,830.00	245,830.00	-	245,830.00
01/01/2018	190,000.00	3.000%	61,330.00	251,330.00	-	251,330.00
01/01/2019	210,000.00	3.000%	55,630.00	265,630.00	-	265,630.00
01/01/2020	220,000.00	3.000%	49,330.00	269,330.00	-	269,330.00
01/01/2021	240,000.00	3.000%	42,730.00	282,730.00	-	282,730.00
01/01/2022	255,000.00	3.000%	35,530.00	290,530.00	-	290,530.00
01/01/2023	270,000.00	3.100%	27,880.00	297,880.00	-	297,880.00
01/01/2024	290,000.00	3.200%	19,510.00	309,510.00	-	309,510.00
01/01/2025	310,000.00	3.300%	10,230.00	320,230.00	-	320,230.00
Total	**$2,635,000.00**	**-**	**$602,970.58**	**$3,237,970.58**	**$111,931.89**	**$3,349,902.47**

Village of Park Forest, IL

General Obligation Refunding Bonds, Series 2012B

Dated: October 4, 2012

(Debt Service Fund Portion)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
01/01/2014	Serial Coupon	2.000%	1.200%	145,000.00	100.982%	146,423.90
01/01/2015	Serial Coupon	2.000%	1.400%	155,000.00	101.318%	157,042.90
01/01/2016	Serial Coupon	2.000%	1.600%	170,000.00	101.257%	172,136.90
01/01/2017	Serial Coupon	2.500%	1.850%	180,000.00	102.638%	184,748.40
01/01/2018	Serial Coupon	3.000%	2.100%	190,000.00	104.443%	198,441.70
01/01/2019	Serial Coupon	3.000%	2.350%	210,000.00	103.750%	217,875.00
01/01/2020	Serial Coupon	3.000%	2.600%	220,000.00	102.622%	225,768.40
01/01/2021	Serial Coupon	3.000%	2.800%	240,000.00	101.460%	243,504.00
01/01/2022	Serial Coupon	3.000%	2.950%	255,000.00	100.399%	256,017.45
01/01/2023	Serial Coupon	3.100%	3.150%	270,000.00	99.562%	268,817.40
01/01/2024	Serial Coupon	3.200%	3.300%	290,000.00	99.063%	287,282.70
01/01/2025	Serial Coupon	3.300%	3.400%	310,000.00	99.001%	306,903.10
Total	-	-	-	**$2,635,000.00**	-	**$2,664,961.85**

Bid Information

Par Amount of Bonds	$2,635,000.00
Reoffering Premium or (Discount)	29,961.85
Gross Production	$2,664,961.85
Bid (101.137%)	2,664,961.85
Total Purchase Price	$2,664,961.85
Bond Year Dollars	$19,896.79
Average Life	7.551 Years
Average Coupon	3.0304915%
Net Interest Cost (NIC)	2.8799052%
True Interest Cost (TIC)	2.8491474%

Village of Park Forest, IL

General Obligation Bonds, Series 2001

Dated: December 10, 2001

Debt Service Fund Portion

Debt Service To Maturity And To Call

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
10/04/2012	-	-	-	-	-	-	-
01/01/2013	2,593,381.00	67,000.13	2,660,381.13	-	5.150%	67,000.13	67,000.13
07/01/2013	-	-	-	-	-	67,000.13	67,000.13
01/01/2014	-	-	-	120,730.00	5.200%	67,000.13	187,730.13
07/01/2014	-	-	-	-	-	63,861.15	63,861.15
01/01/2015	-	-	-	134,661.00	4.850%	63,861.15	198,522.15
07/01/2015	-	-	-	-	-	60,595.62	60,595.62
01/01/2016	-	-	-	148,591.00	4.900%	60,595.62	209,186.62
07/01/2016	-	-	-	-	-	56,955.14	56,955.14
01/01/2017	-	-	-	164,843.00	4.950%	56,955.14	221,798.14
07/01/2017	-	-	-	-	-	52,875.27	52,875.27
01/01/2018	-	-	-	181,096.00	5.000%	52,875.27	233,971.27
07/01/2018	-	-	-	-	-	48,347.87	48,347.87
01/01/2019	-	-	-	199,670.00	5.050%	48,347.87	248,017.87
07/01/2019	-	-	-	-	-	43,306.20	43,306.20
01/01/2020	-	-	-	218,243.00	5.100%	43,306.20	261,549.20
07/01/2020	-	-	-	-	-	37,741.01	37,741.01
01/01/2021	-	-	-	239,139.00	5.100%	37,741.01	276,880.01
07/01/2021	-	-	-	-	-	31,642.96	31,642.96
01/01/2022	-	-	-	260,035.00	5.100%	31,642.96	291,677.96
07/01/2022	-	-	-	-	-	25,012.07	25,012.07
01/01/2023	-	-	-	283,252.00	5.400%	25,012.07	308,264.07
07/01/2023	-	-	-	-	-	17,364.27	17,364.27
01/01/2024	-	-	-	308,791.00	5.400%	17,364.27	326,155.27
07/01/2024	-	-	-	-	-	9,026.91	9,026.91
01/01/2025	-	-	-	334,330.00	5.400%	9,026.91	343,356.91
Total	**$2,593,381.00**	**$67,000.13**	**$2,660,381.13**	**$2,593,381.00**	**-**	**$1,094,457.33**	**$3,687,838.33**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/04/2012
Average Life	7.807 Years
Average Coupon	5.2343650%
Weighted Average Maturity (Par Basis)	7.807 Years

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

Village of Park Forest, IL

General Obligation Bonds, Series 2001

Dated: December 10, 2001

Debt Service Fund Portion

Current Outstanding Debt Service

Date	Principal	Coupon	Interest	Total P+I
01/01/2013	109,122.00	5.150%	2,809.89	111,931.89
Total	**$109,122.00**	**-**	**$2,809.89**	**$111,931.89**

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	10/04/2012
Average Life	0.242 Years
Average Coupon	5.1499973%
Weighted Average Maturity (Par Basis)	0.242 Years

Refunding Bond Information

Refunding Dated Date	10/04/2012
Refunding Delivery Date	10/04/2012

AGENDA BRIEFING

DATE: September 6, 2012

TO: Mayor Ostenburg
Board of Trustees

FROM: Hildy L. Kingma, AICP
Director of Economic Development and Planning

RE: Consideration of Proposed Revisions to Chapter 118 (Zoning), Sections 118-153 and 118-154, pertaining to Principal Uses permitted in the C-1 and C-2, Commercial Zoning Districts

BACKGROUND/DISCUSSION:
On June 25, 2012, the Village Board of Trustees approved Ordinance No. 1966, thereby adopting comprehensive revisions to the Village's liquor license classifications, fees, and other requirements. Among the revisions to the liquor licensing requirements, Section 6-43 of the Village Code of Ordinances now contains a more detailed set of classifications under which liquor licenses will be issued. The new Class B license authorizes "the retail sales of alcoholic liquors for consumption off the premises by a liquor store. A liquor store shall only be located in the C-2 commercial zoning district."

This new provision of the liquor licensing ordinance is in conflict with the Village's Zoning Ordinance. Section 118-153 of the Zoning Ordinance lists the principal uses permitted in the C-1 district, including "(6) Liquor stores (for the sale of liquor for consumption off the premises but including the consumption of alcoholic beverages on the premises only when given away as part of a manufacturer's, importer's or distributor's promotional campaign)." This use is also permitted in the C-2 zoning district by virtue of Section 118-154(1) which permits "any use permitted in the C-1 district". The liquor licensing provisions do not, however, provide for consumption of liquor on the premises of a liquor store "when given away as a part of a manufacturer's, importer's or distributor's promotional campaign."

The Plan Commission conducted a public hearing on August 7 to consider amendments to Sections 118-153 and 154 to make the Zoning Ordinance consistent with the new liquor licensing provisions. After taking public comment and discussing this request, the Plan Commission voted unanimously to approve the Zoning Text Amendments described in the attached ordinance.

The attached Ordinance was reviewed by the Village Attorney.

SCHEDULE FOR CONSIDERATION: This item will appear on the agenda of the Regular Board meeting of September 10, 2012, for Final Reading.

MEMORANDUM

TO: Mayor and Board of Trustees

FROM: Vernita Wickliffe-Lewis, Chair
Park Forest Plan Commission

DATE: August 15, 2012

RE: Recommendation – Zoning Ordinance Text Amendment to Amend the C-1 and C-2 Zoning Districts pertaining to the location of liquor stores

At our regular meeting on August 7, the Plan Commission conducted a public hearing and considered a Zoning Text Amendment to Sections 118-153 and 118-154 of the Zoning Ordinance relating to the permitted location of liquor stores.

After taking public comment and discussing this request, the Plan Commission voted unanimously to recommend approval of the Zoning Text Amendments as described in the Staff memo (July 24, 2012) presented to the Plan Commission at the meeting.

Best regards,
Vernita A. Wickliffe-Lewis, Chair

MEMORANDUM

TO: Plan Commission

FROM: Hildy L. Kingma, AICP
Director of Economic Development and Planning

DATE: July 24, 2012

RE: NEW BUSINESS: Plan Commission Meeting of August 7, 2012
PUBLIC HEARING: Consideration of Proposed Revisions to Chapter 118 (Zoning), Sections 118-153 and 118-154, pertaining to Principal Uses permitted in the C-1 and C-2, Commercial Zoning Districts

On June 25, 2012, the Village Board of Trustees approved Ordinance No. 1966, thereby adopting comprehensive revisions to the Village's liquor license classifications, fees, and other requirements. Among the revisions to the liquor licensing requirements, Section 6-43 of the Village Code of Ordinances now contains a more detailed set of classifications under which liquor licenses will be issued. The new Class B license authorizes "the retail sales of alcoholic liquors for consumption off the premises by a liquor store. A liquor store shall only be located in the C-2 commercial zoning district."

This new provision of the liquor licensing ordinance is in conflict with the Village's Zoning Ordinance. Section 118-153 of the Zoning Ordinance lists the principal uses permitted in the C-1 district, including "(6) Liquor stores (for the sale of liquor for consumption off the premises but including the consumption of alcoholic beverages on the premises only when given away as part of a manufacturer's, importer's or distributor's promotional campaign)." This use is also permitted in the C-2 zoning district by virtue of Section 118-154(1) which permits "any use permitted in the C-1 district". The liquor licensing provisions do not, however, provide for consumption of liquor on the premises of a liquor store "when given away as a part of a manufacturer's, importer's or distributor's promotional campaign."

At this time, there are three areas in the Village zoned C-1. These include the Lincolnwood Shopping Center (Illinois and Indiana Streets), the Blackhawk Shopping Center (Blackhawk Street/Indianwood Boulevard), and the Sauk Trail commercial district from Central Park Avenue to Minocqua Street. Section 118-152 establishes the minimum size for commercial zoning districts. C-1 commercial zoning districts can be as small as one acre in size, whereas C-2 commercial zoning districts must be a minimum of three acres. Because it is smaller in size, the C-1 zoning district permits less intensive commercial uses, such as small retail shops, personal service shops, small offices, banks, restaurants, and schools such as music and dance schools. The more intensive commercial uses, which also require more land area, are limited to the C-2 commercial zoning districts, which are located in the DownTown and along Western Avenue and US30/Lincoln Highway. These uses include, for example, office buildings, commercial recreation, restaurants that include live entertainment and dancing, and automobile sales and service establishments.

The Village Board's intent in limiting Class B liquor licenses to the C-2 zoning district was to allow liquor stores only in the more intensive commercial districts. Therefore, it is appropriate for the Plan Commission to consider the following revisions to the Zoning Ordinance.

Sec. 118-153. Principal uses permitted in C-1.

~~(6) Liquor stores (for the sale of liquor for consumption off the premises but including the consumption of alcoholic beverages on the premises only when given away as part of a manufacturer's, importer's or distributor's promotional campaign).~~

Sec. 118-154. Principal uses permitted in C-2.

(18) Liquor stores.

Pursuant to Section 118-29 of the Zoning Ordinance, the Plan Commission is responsible for making recommendations to the Board of Trustees on requests to amend the Zoning Ordinance. The Plan Commission is required to hold a public hearing on ordinance amendments, notice of which must be given in a newspaper of general circulation no less than 15 days before the public hearing. Notice of the public hearing on this matter was published in the *Southtown/Star Newspaper* on July 24, 2012.

Village Staff has worked with the Village Attorney to prepare the proposed text amendments.

Plan Commission Action: After conducting the public hearing, the Plan Commission is asked to consider the proposed revisions to Chapter 118 (Zoning), Sections 118-153 and 118-154, and make a recommendation to the Board of Trustees on this matter.

ORDINANCE NO._____________

AN ORDINANCE AMENDING CHAPTER 118 ("ZONING"), ARTICLE III ("DISTRICTS"), SECTION 118-153 ("PRINCIPAL USES PERMITTED IN C-1"), AND SECTION 118-154 ("PRINCIPAL USES PERMITTED IN C-2") OF THE CODE OF ORDINANCES OF THE VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES, ILLINOIS

WHEREAS, the Village of Park Forest ("Village") seeks to amend Chapter 118 (Zoning), Article III ("Districts"), Section 118-153 ("Principal Uses Permitted in C-1") and Section 118-154 ("Principal Uses Permitted in C-2") of the Code of Ordinances of the Village of Park Forest, Cook and Will Counties, Illinois ("Village Code") in the manner more fully set forth herein ("Application"); and

WHEREAS, the Village of Park Forest Plan Commission conducted a public hearing to consider the Application on August 7, 2012, as required pursuant to Section 118-29 of the Village Code; and

WHEREAS, on July 24, 2012, notice for said public hearing was published in the Park Forest edition of the *Southtown/Star Newspaper,* a newspaper of general circulation within the Village as required by Section 118-29 of the Village Code; and

WHEREAS, after considering all of the testimony and evidence presented at the public hearing, the Plan Commission recommended approval of the Application, all as set forth in the Plan Commission's Findings and Recommendations; and

WHEREAS, the Mayor and Board of Trustees of the Village of Park Forest have considered the Findings and Recommendation of the Plan Commission and all of the facts and circumstances affecting the Application, and the Mayor and Board of Trustees have determined that it is appropriate to amend the Village Code as provided in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of the Village's home rule powers, as follows:

Section 1. **Recitals Incorporated**. The recitals set forth above constitute a material part of this Ordinance as if set forth in their entirety in this Section 1.

Section 2. Plan Commission Findings and Recommendation. The Findings and Recommendation of the Plan Commission, together with all reports and exhibits submitted at the public hearing, are hereby incorporated by reference herein and are approved.

Section 3. Village Code Amended. Chapter 118 ("Zoning"), Article III ("Districts"), Section 118-153 ("Principal Uses Permitted in C-2") and Section 118-154 ("Principal Uses Permitted in C-2") of the Code of Ordinances of the Village of Park Forest, Cook and Will

Counties, Illinois, is amended by adding the underlined language and deleting the stricken language to read as follows:

Sec. 118-153. Principal uses permitted in C-1.

Principal uses permitted in the C-1 district are:

* * * *

~~(6) Liquor stores (for the sale of liquor for consumption off the premises but including the consumption of alcoholic beverages on the premises only when given away as part of a manufacturer's, importer's or distributor's promotional campaign).~~

~~(7)~~ (6) Offices, business and professional, including medical and dental.

~~(8)~~ (7) Photography studio.

~~(9)~~ (8) Schools, such as music and dance.

~~(10)~~ (9) Restaurants, tearooms and the like, excluding dancing or similar entertainment; and including the sale of alcoholic beverages by the drink for consumption on the premises, and only when served in connection with the operation of an established food serving facility during times when food is dispensed for consumption upon the premises.

~~(11)~~ (10) Only those automobile service stations existing on the effective date of the passage of these provisions herein referred to, for the sale of gasoline, oil and minor accessories only, including testing and automotive repair services, but not including automobile body repair, steam cleaning or painting; provided, however, that all testing and repair work must take place within an enclosed building and only between the hours of 7:00 a.m. and 9:00 p.m. All vehicles parked out of doors, except for those in the process of being serviced at a gasoline pump island, must be parked in an improved parking area constructed in accordance with the provisions of this Code, and all vehicles shall be parked in individual stalls between the lines. No vehicle awaiting service or repair or awaiting delivery to the owner after repair shall be parked out of doors for more than seventy-two (72) hours.

~~(12)~~ (11) Public service, fire or police stations, telephone exchanges, post offices, public utility service offices, and related establishments.

~~(13)~~ (12) Temporary buildings and uses for construction purposes on approval of location, size and necessity by the village board for a period up to 12 months, after which time they may be renewed for periods up to 12 months upon a showing of necessity by the petitioner. No such buildings shall be permitted after completion of construction.

~~(14)~~ (13) Dwelling units may be permitted above the commercial floors if approved as part of the development plan. Any change in an approved development plan to allow for such dwelling units, or to allow for commercial uses to be located on floors containing residential dwellings, shall be considered a major change in the approved plan.

~~(15)~~ (14) Automobile service stations not existing on the effective date of the passage of the provisions herein referred to, but only within and part of a C-1 district of four acres or more. Automobile service stations authorized within this subsection shall be used for sales of gasoline, oil and minor accessories only, including testing and automotive repair services, but not including automobile body repair, reconditioning, steam cleaning or painting. Such testing and repair services shall be conducted wholly within enclosed buildings.

~~(16)~~ (15) Automobile repair shop, provided that all repair work must take place within an enclosed building. Automotive repairs shall be limited and may not include any body repairs, painting, steam cleaning or other activities resulting in noise or odors transmitted beyond the building in which such work takes place. Hours of operation of automobile repair shops shall be between 7:00 a.m. and 9:00 p.m. All vehicles parked out of doors must be parked in an improved parking area constructed in accordance with the provisions of this Code. Each parking area shall be marked in accordance with the provisions of this Code, and all vehicles shall be parked in individual stalls between the lines. No vehicle awaiting repair or awaiting delivery to the owner after repair shall be parked out of doors for more than 72 hours.

Sec. 118-154. Principal uses permitted in C-2.

Principal uses permitted in the C-2 district are:

* * * *

(18) Liquor stores.

Section 5. Severability and Repeal of Inconsistent Ordinances. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 6. **Effective Date.** This Ordinance shall be in full force and effect from and after its passage and approval and publication as required by law.

PASSED this _________ day of ____________, 2012.

APPROVED: **ATTEST:**

________________________________ ________________________________

MAYOR CLERK

AGENDA BRIEFING

DATE: September 5, 2012

TO: Mayor John A. Ostenburg
Board of Trustees

FROM: Hildy L. Kingma, AICP, Director of Economic Development and Planning

RE: Ordinance Authorizing the Acquisition of a Property at 219 Arrowhead Street

BACKGROUND/DISCUSSION:
The house on the property at 219 Arrowhead Street is vacant and severely blighted, and it is included on the list of properties to be demolished by the State CDBG-IKE grant. The current owner of the property, the Equity Bank FSB, has agreed to donate the property to the Village, provided any liens currently recorded against the property are released. Equity Bank FSB will provide clear title to the property, pay taxes up to the day of closing, and pay for closing costs to transfer title.

The Village Attorney prepared the attached Ordinance and has reviewed and approved the Real Property Donation Agreement.

SCHEDULE FOR CONSIDERATION: This item will appear on the Regular Board meeting agenda of September 10, 2012, for First Reading.

ORDINANCE __________

AN ORDINANCE AUTHORIZING THE ACQUISITION OF
<u>THE PROPERTY COMMONLY KNOWN AS 219 ARROWHEAD, PARK FOREST</u>

WHEREAS, the Village of Park Forest (hereinafter "Village") is an Illinois Home Rule Municipality, pursuant to Article VII, Section 6, of the Constitution of the State of Illinois; and

WHEREAS, Equity Bank, FSB or its successor in interest (hereinafter "Donor") is the owner of record of the property commonly known as 219 Arrowhead, Park Forest, Illinois, P.I.N. 32-30-207-001-0000 (hereinafter "Property") and legally described as follows:

> LOT 1 IN BLOCK 7 OF THE VILLAGE OF PARK FOREST AREA NO. 1, BEING A SUBDIVISION OF PART OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 30, TOWNSHIP 35 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF ELGIN, JOLIET AND EASTERN RAILROAD, IN COOK COUNTY, ILLINOIS.

WHEREAS, Donor has indicated that it is willing to convey title to the Property to the Village via special warranty deed in accordance with the terms of the Donation Agreement, attached hereto and incorporated herein as <u>Exhibit 1</u>, and the Village desires to accept a special warranty deed from Donor for the Property; and

WHEREAS, the Mayor and the Board of Trustees of the Village have determined that it is advisable and in the best interests of the Village to acquire the Property from Donor by special warranty deed, and that the Property is being acquired for a public purpose pursuant to Section 2-2(b) of the Village Code, and pursuant to the Village's home rule authority.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of the Village's home rule powers, as follows:

<u>Section 1</u>. **<u>Recitals Incorporated</u>**. The foregoing recitals are incorporated into this Section 1 by reference as though fully set forth herein.

<u>Section 2</u>. **<u>Acquisition of Property</u>**. The Mayor and the Board of Trustees of the Village hereby determine that it is in the best interests of the Village to acquire the Property via special warranty deed for public purposes as may be determined.

<u>Section 3</u>. **<u>Execution of Documents</u>**. The Village Manager or his designee is hereby authorized and directed to execute the Donation Agreement, in substantially the form as attached hereto as <u>Exhibit 1</u>, subject to attorney review, and to execute any and all additional documents as may be necessary or advisable to effectuate acquisition of the Property via special warranty deed from Donor.

Section 4. **Severability and Repeal of Inconsistent Ordinances**. If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance. All ordinances, resolutions or orders or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 5. **Effective Date**. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

PASSED this _______ day of _______________ , 2012.

APPROVED:	**ATTEST:**
______________________________	______________________________
MAYOR	CLERK

<u>EXHIBIT 1</u>

DONATION AGREEMENT

REAL PROPERTY DONATION AGREEMENT

This Real Property Donation Agreement ("Agreement") is made on _________, 2012, between ______________, ("Donor"), and Village of Park Forest ("Donee"). It is agreed that upon the terms and conditions set forth in this Agreement the Donor shall donate and convey all of its rights and interests in, and the Donee shall accept and be the successor to all such rights and interests in, the real property identified and described herein. This Real Property Donation Agreement and any addenda, riders, counterparts, or amendments together constitute the complete Agreement.

Donor and Donee may each be referred to herein as a "Party" and collectively as the "Parties."

Donor is the owner and has the full authority to enter into this Agreement for donation of the real property described in Exhibit "A" attached hereto and incorporated herein by this reference (the "Property").

1. PROPERTY ADDRESS: The physical address of the Property, and any improvements thereon, is 219 Arrowhead Street, Park Forest, IL 60466.

2. EFFECTIVE DATE:

   The date of Donee's execution of this Agreement shall be the "Effective Date" of the Agreement. The Agreement must be approved by the Donee's Board of Trustees, and it must be signed by all Parties in order to be binding.

3. CONSIDERATION:

   The Parties acknowledge and agree that there shall be no consideration or payment of money or goods of any kind made by Donee in exchange for the Donor's transfer of the Property. This Agreement, and performance of any covenant or condition contained herein, is not contingent upon Donee obtaining financing from any source.

4. THE DEED:

   Donor shall convey or cause to be conveyed to Donee good and merchantable title to the Property by recordable special warranty deed. Title when conveyed will be good and merchantable, subject only to: general real estate taxes not yet due and payable at the time of closing, covenants, conditions, and restrictions of record, building lines and easements, if any, so long as they do not interfere with the current use and enjoyment of the Property.

5. TIME OF THE ESSENCE; CLOSING DATE:

(a) It is agreed that time is of the essence with respect to all dates specified in the Agreement and any addenda, riders, or amendments thereto, meaning that all deadlines are intended to be strict and absolute. The Agreement shall terminate automatically, and without notice, if it is not concluded by the Closing Date, or any agreed extension thereof.

(b) The closing shall take place on or before September 4, 2012 ("Closing Date"), unless the Closing Date is extended in writing signed by the Donor and the Donee, or extended by the Donor under the terms of the Agreement. If no extension is agreed upon and if the Closing does not occur by the Closing Date, the Agreement is automatically terminated.

6. DOCUMENTS FOR CLOSING: Donor shall prepare or cause to be prepared a special warranty deed transferring the Property to Donee. Donor shall be responsible for recording the deed following the Closing. Donor shall provide all title insurance and closing services through a title insurance company of its choice licensed or authorized to provide such insurance in the state of Illinois in which the Property is located. The deed to be delivered at closing shall be a special warranty deed. Any reference to the term "deed" or herein shall be construed to refer to such form of deed.

7. CLOSING COSTS AND EXPENSES:

(a) Donor shall pay all title insurance premiums, specifically including an Owner's Policy in which the Insured shall be the Donee;

(b) The Parties agree that Donor shall be responsible for payment of real estate taxes through the date of closing, prorated at 105% of the most recent ascertainable full year tax bill. At Closing, Donor shall pay any and all real estate taxes that are due and owing.

(c) All other costs, expenses, fees and other amounts due and paid at or through the Closing shall be paid by Donor.

(d) An itemization of all fees, costs, expenses and other amounts paid at or through the Closing, including without limitation, a HUD – 1 Settlement Statement, shall be prepared in connection with the Closing and approved by Donor and Donee.

8. PROPERTY CONDITION:

(a) Donee acknowledges and agrees that Donor has not made and hereby specifically disclaims any warranty, guaranty, or representation, oral or written, past, present, or future, of, as to, or concerning (i) the nature, square footage, condition, value, or quality of the geology, the presence of environmental hazards, or the suitability of the Property for any and all activities and uses which Donee may elect to conduct thereon, specifically including but not limited to, using the Property as a residence; (ii) the manner, construction, condition, quality, the state of repair or lack of repair of any of the Property; and, (iii) the income to be derived from the Property.

(b) Donee hereby expressly acknowledges and agrees that Donee has thoroughly inspected and examined the Property to the extent deemed necessary by the Donee in order to enable Donee to evaluate the acceptance of the Property. Donee hereby further acknowledges and agrees that Donee is relying solely upon the inspection, examination, and evaluation of the Property, if any, by Donee and that Donee is accepting the Property on an "AS IS, WHERE IS" and "WITH ALL FAULTS" basis and not on any information provided or to be provided by Donor. Donee acknowledges that it has sufficient information regarding the Property; is relying on its own experts and not Donor or any information provided by Donor, if any; and is not looking to Donor for any additional information with respect to condition of the Property. Donee expressly acknowledges that, in consideration of the agreements of Donor herein, Donor makes no warranty of representation expressed or implied, or arising by operation of law, including, but in no way limited to any warranty of condition, habitability, merchantability, or fitness for a particular purpose except otherwise specified herein. It is further agreed that Donor has not warranted, and does not hereby warrant the Property and any improvements located thereon now or in the future will meet or comply with the requirements of any safety code or regulation of the state, city, or county in which the Property is located, or any other authority or jurisdiction.

9. CODE VIOLATIONS:

Donor and Donee acknowledge and agree that there may be outstanding and unpaid liens, fines, fees or penalties attached to or assessed against the Property or the owner of the Property (including Donor), ("Assessments") and agree that no later than at the Closing, any and all liens, fines, fees or penalties attached to or assessed against the Property shall be forgiven and Donor fully released by the Donee for such liens, fines, fees or penalties assessed against the Property.

10. DEFECTS IN TITLE:

If Donee raises an objection to Donor's title to the Property, which, if valid, would make title to the Property uninsurable, Donor shall have the right unilaterally to terminate the Agreement by giving written notice of the termination to Donee.

Donor is not obligated to (i) remove any exception; (ii) bring any action or proceeding or bear any expense in order to convey title to the Property; or (iii) make the title marketable or insurable. Any attempt by Donor to remove such title exceptions shall not impose an obligation upon Donor to remove those exceptions.

11. OTHER AGREEMENTS: No other agreements or representations, unless specifically set forth in the Agreement, shall be binding upon any of the Parties. This Agreement sets forth the full and complete understanding of the Parties hereto. No amendment, modification or supplement to this Agreement shall be binding unless in writing and duly executed and delivered by each of the Parties hereto to the other Party or Parties. Nothing herein shall be construed as constituting a partnership or joint venture between Donor and Donee. Neither Donor nor Donee has employed a broker and cross indemnification for broker fees and commissions.

12. EMINENT DOMAIN: In the event that the Donor’s interest in the Property, or any part thereof, shall have been taken by eminent domain, or shall be in the process of being taken on or before the Closing Date, either Party may terminate the Agreement and neither Party shall have any further rights or liabilities hereunder.

13. SURVIVAL: Donor’s delivery of the deed to the Property to Donee shall be deemed to be full performance and discharge of all of Donor’s obligations under the Agreement. Notwithstanding anything to the contrary in the Agreement, any provisions that contemplate performance or observance subsequent to any termination or expiration of the Agreement, shall survive the closing, funding and the delivery of the deed and/or termination of the Agreement by any Party and such provisions shall continue in full force and effect.

14. TERMINATION OF AGREEMENT: If either Party terminates the Agreement when permitted to do so, the Parties shall have no further obligation to each other, except as to any provision that survives the termination of the Agreement.

15. ASSIGNMENT OF AGREEMENT:
Neither Donor nor Donee shall assign the Agreement.

16. MODIFICATION AND WAIVER: No provision, term or clause of the Agreement shall be revised, modified, amended or waived, except by an instrument in writing signed by Donor and Donee. The waiver by any Party of a breach of the Agreement shall not operate or be construed as a waiver of any other or subsequent breach. No course of dealing between the Parties shall operate as a waiver of any provision of the Agreement.

17. RIGHTS OF OTHERS: The Agreement does not create any rights, claims or

benefits inuring to any person or entity, other than Donor's successors and/or assigns, that is not a Party to the Agreement, nor does it create or establish any third party beneficiary to the Agreement.

18. COUNTERPARTS AND FACSIMILE: The Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. A signed facsimile or photocopy of the Agreement shall be treated as an original, and shall be deemed to be as binding, valid, genuine, and authentic as an originally signed agreement for all purposes, including all matters of evidence and the "best evidence" rule.

19. HEADINGS: The titles to the sections and headings of various paragraphs of the Agreement are placed for convenience of reference only, and in case of conflict the text of the Agreement, rather than such titles or headings, shall control.

20. ATTORNEY REVIEW: The Parties acknowledge that both have had the opportunity to consult with their legal counsel regarding the Agreement and that accordingly the terms of the Agreement are not to be construed against any Party because that Party drafted the Agreement or construed in favor of any Party because that Party failed to understand the legal effect of the provisions of the Agreement.

21. NOTICES: Any notices required to be given under the Agreement shall be deemed to have been delivered when actually received in the case of hand or overnight delivery or by fax with confirmation of transmission to the numbers below, or five (5) calendar days after mailing by first class mail, postage paid. All notices to Donor will be deemed sent or delivered to Donor when sent or delivered to Donor at the address or fax number shown below. All notices to Donee shall be deemed sent or delivered and effective when sent or delivered to Donee at the address or fax number shown below.

22. APPLICABLE LAW: This Agreement and the provisions contained herein shall be construed, controlled and interpreted according to the laws of the State of Illinois.

23. ATTORNEYS' FEES, COURT COSTS, AND LEGAL EXPENSES: In any action, proceeding, or arbitration arising out of, brought under, or relating to the terms or enforceability of the Agreement each Party shall bear its own attorneys' fees, costs, and expenses incurred in such action, proceeding, or arbitration.

24. COMPLIANCE Donee assumes all duties and obligations for compliance with any and all applicable requirements or conditions precedent to conveyance of the Property, including (without limitation) any requirements imposed by governmental agencies or authorities as conditions precedent to conveyance of

real property generally, or conditions precedent to conveyance of foreclosed or distressed real estate, or otherwise.

25. TITLE INSURANCE: A title insurance policy identifying the Donee as “Owner” and/or “Insured” shall be issued by a title company of Donor’s choice licensed or authorized to provide such insurance in the State of Illinois, and paid for by Donor.

IN WITNESS WHEREOF, Donor and Donee have entered into the Agreement effective as of the date it is executed by Donor as set forth below.

VILLAGE OF PARK FOREST (“Donee”)	**(“Donor”)**
____________________________	____________________________
By: Thomas K. Mick Its: Village Manager	By: Its:

Exhibit "A": Legal Description of Property

LOT 1 IN BLOCK 7 OF THE VILLAGE OF PARK FOREST AREA NO. 1, BEING A SUBDIVISION OF PART OF THE NORTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 30, TOWNSHIP 35 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING SOUTH OF THE SOUTH RIGHT OF WAY LINE OF ELGIN, JOLIET AND EASTERN RAILROAD, IN COOK COUNTY, ILLINOIS.

P.I.N. 32-30-207-001-0000
219 Arrowhead Street, Park Forest, Illinois 60466

AGENDA BRIEFING

Memorandum

DATE: September 6, 2012

TO: Mayor John Ostenburg
Board of Trustees

FROM: Clifford Butz,
Chief of Police

RE: **AN ORDINANCE AMENDING CHAPTER 66 ("OFFENSES AND MISCELLANEOUS PROVISIONS"), ARTICLE V ("MINORS") OF THE CODE OF ORDINANCES, VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES BY ADDING NEW SECTIONS 66-158 ("IMPROPER SUPERVISION OF A MINOR") THROUGH SECTION 66-160 ("CONTRIBUTING TO THE CRIMINAL DELINQUENCY OF A MINOR")**

BACKGROUND/DISCUSSION:
The Police Department has continued to struggle with the lack of concern by parents and guardians of some juveniles who have been arrested numerous times. In many cases these offenders have been arrested for serious offenses, such as Robbery and Residential Burglary. The inability to have these offenders held in custody, because of their age, and then continuing to be out committing the same crimes, has long been a complaint at Neighborhood Meetings. The failure of these parents or guardians to correct the behavior of their children has brought the Department to research writing an ordinance similar to other Cities, Towns and Villages that make it a crime punishable by a fine for a parent or a guardian to allow their child to continue to commit crimes. The Village Prosecutor and Village Attorney have aided in the draft ordinance language as attached.

RECOMMENDATION: The Police Department is recommending that the Village pass this ordinance, which would allow the Department to bring these parents and guardians to local court and make them responsible for supervising their children and in turn stop future crimes from occurring.

SCHEDULE FOR CONSIDERATION: This item will appear on the agenda of the Regular Meeting of September 10, 2012 for First Reading.

ORDINANCE NO.______________

AN ORDINANCE AMENDING CHAPTER 66 (“OFFENSES AND MISCELLANEOUS PROVISIONS”), ARTICLE V (“MINORS”) OF THE CODE OF ORDINANCES, VILLAGE OF PARK FOREST, COOK AND WILL COUNTIES BY ADDING NEW SECTIONS 66-158 (“IMPROPER SUPERVISION OF A MINOR”) THROUGH SECTION 66-160 (“CONTRIBUTING TO THE CRIMINAL DELINQUENCY OF A MINOR”)

WHEREAS, the Mayor and Board of Trustees (“Corporate Authorities”) hereby find that the incidence of offenses by minors within the Village of Park Forest (“Village”) threatens the public health, safety and welfare of the residents of the Village; and

WHEREAS, the Corporate Authorities also recognize the need to provide the means to eliminate the commission of offenses by minors in order to insure the public health, safety and welfare; and

WHEREAS, parents and legal guardians of minors have a continuous responsibility to exercise reasonable control and supervision over minors to prevent minors from committing or participating in the commission of offenses; and

WHEREAS, the Corporate Authorities further find that increased parental responsibility is essential for the effective control and elimination of offenses committed by minors; and

WHEREAS, the Corporate Authorities find that it is in the best interests of the Village that such acts be prosecuted by the Village as a local offense; and

WHEREAS, the diligent pursuit of the interests above will tend to increase parental supervision of minors and reduce the incidence of offenses committed by minors and thus advance the public health, safety and welfare of residents of the Village.

NOW THEREFORE, BE IT ORDAINED, by the Mayor and Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, in the exercise of the Village’s home rule powers, as follows:

Section 1. **Recitals Incorporated**. The above recitals are incorporated herein as though fully set forth.

Section 2. **Village Code Amended**. Chapter 66 (“Offenses and Miscellaneous Provisions”), Article V (“Minors”) of the Code of Ordinances, Village of Park Forest, Cook and Will Counties, Illinois, is hereby amended by adding a new Section 66-158 (“Improper Supervision of a Minor”), a new Section 66-159 (“Notice to Appear to Parents or Legal Guardians”) and Section 66-160 (“Contributing to the Criminal Delinquency of a Minor”) to read as follows:

Sec. 66-158. Improper supervision of a minor.

(a) For purposes of this section, the following words and phrases have the meanings ascribed to them as follows, unless a contrary meaning is clear from the context:

Knowingly means having general knowledge of, or reason to know, or a belief or ground for belief which warrants further inquiry or inspection.

Legal guardian means parent, foster parent, person appointed guardian, or given custody of a minor by a circuit court of state, or person appointed guardian or given custody of a minor under the Illinois Juvenile Court Act, 705 ILCS 405/1-1 *et seq.*, as amended, but shall not include any person appointed guardian only to the estate of a minor.

Minor means a person who has not reached eighteen (18) years of age.

Parent means the father and/or mother of a minor child, whether by birth or adoption, or shall be deemed the parent having legal custody of a minor in the event of divorce or separation. The term "parent" as used in this section shall also mean "legal guardian" as defined herein.

Unemancipated minor means a person under the age of eighteen (18) years still under the care and custody of at least one of his or her parents or a legal guardian.

(b) *Improper supervision of a minor*. It shall be unlawful for the parent or legal guardian of an unemancipated minor residing with such parent or legal guardian to exercise improper supervision of a minor by intentionally, knowingly, recklessly or negligently, by either act or omission to act, permitting or allowing an unemancipated minor to violate any provision of this Code or state or federal law or commit any other such willful or malicious act or offense against property or person.

(c) *Parental responsibility for offenses committed by minors*. A parent or legal guardian shall be in violation of this section if the minor has been adjudicated to be in violation of any provision of this Code or state or federal law.

(d) *Penalty*. Any person, including a parent or legal guardian, found to be violation of this section shall be subject to a fine of not less than $250.00 and not more than the maximum fine as set forth in section 1-9 of this Code, as amended.

Sec. 66-159. Notice to appear to parents or legal guardians.

(a) *Notice to appear to parents or legal guardians.* The parent or legal guardian of a minor as defined in section 66-158 above shall be notified by United States mail whenever a minor is charged with a violation of a provision of this Code and shall be required to appear before an administrative adjudication hearing officer. Such notice shall provide the alleged violation, that the minor is required to appear, and that one of the parents or legal guardians must also appear on the date set for the minor's first appearance and at such times as may be ordered by the administrative adjudication hearing officer.

(b) *Responsibility for unpaid fines or order of restitution*. The parent or legal guardian of an unemancipated minor who resides with such parent or legal guardian shall be liable for any fine or order of restitution imposed by an administrative adjudication hearing officer upon such minor for a violation of any provision of this Code, but only if the minor has not paid the fine or made restitution within the time ordered by the administrative adjudication hearing officer and said parent or legal guardian has been served with a notice to appear in the original cause as provided in this section.

Sec. 66-160. Contributing to the criminal delinquency of a minor.

It shall be unlawful for any person, including a parent or legal guardian, to knowingly or willfully cause, aid or encourage any minor to violate or attempt to violate any provision of this Code or state or federal law or knowingly or willfully act in such a manner as to directly tend to cause a minor to violate or attempt to act in such a manner as to directly tend to cause a minor to violate or attempt to violate any provision of this Code or state or federal law.

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Section 3. **Severability and Repeal of Inconsistent Ordinances.** If any provision of this Ordinance, or the application of any provision of this Ordinance, is held unconstitutional or otherwise invalid, such occurrence shall not affect other provisions of this Ordinance, or their application, that can be given effect without the unconstitutional or invalid provision or its application. Each unconstitutional or invalid provision, or application of such provision, is severable, unless otherwise provided by this Ordinance. All ordinances, resolutions or orders or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 4. **Effective Date.** This Ordinance shall take effect after its passage, and approval and publication as required by law.

PASSED this _____ day of ________________ 2012.

APPROVED:	**ATTEST:**
______________________________	______________________________
MAYOR	**VILLAGE CLERK**