

AGENDA
SPECIAL REGULAR MEETING OF THE BOARD OF TRUSTEES
350 VICTORY DRIVE
PARK FOREST, ILLINOIS

Village Hall - Board Room

6:00 p.m.

March 23, 2026

Roll Call

Pledge of Allegiance

Reports of Village Officers

Mayor

Village Manager

Village Attorney

Village Clerk

Reports of Commission Liaisons and Committee Chairpersons

Citizens Comments, Observations, Petitions

Motion: Approval of Consent

CONSENT:

None

DEBATABLE:

1. Approval of an Ordinance Imposing a Home Rule Municipal Retailers' and Service Occupation tax of 1% while exempting certain foods and drugs

Adjournment

NOTE: Copies of Agendas Available in the Lobby of Village Hall and the full Agenda packet is posted on the Village website at <https://villageofparkforest.com/AgendaCenter>

Any individual with a disability requesting reasonable accommodation to participate in a public meeting should contact the Village Manager's Office at least 48 hours in advance of the scheduled meeting. The Village Manager's Office can be reached via telephone at (708) 283-5605 or (708) 748-1129 or via e-mail athurston@vopf.com. Every effort will be made to allow for meeting participation.



BOARD MEMORANDUM

To: Mayor Joseph A. Woods and the Board of Trustees

From: Jon Kindseth, Village Manager
Mark A. Pries, Finance Director/Deputy Village Manager

Date: March 17, 2026

RE: Establishing a 1% Home Rule Sales Tax

BACKGROUND DISCUSSION: The Village has been exploring ways to diversify our revenues, so that the Village is now primarily reliant on property taxes to pay for general municipal services. One of the methods of doing this is to increase sales tax collections. This can be done in two ways, first by growing our retail sales, which generate sales tax, and/or by increasing our sales tax rate. The Village is choosing the later scenario with this action. A 1% increase in the sales tax rate in both Cook and Will counties could generate as much as \$800,000 annually in new sales tax dollars for the Village.

Attached is a summary of the sales tax rates of the following surrounding communities:

- | | |
|----------------------------------|-------------|
| - Richton Park | - Homewood |
| - Richton Park Business District | - Frankfort |
| - Olympia Fields | - Matteson |
| - Chicago Heights | - Flossmoor |

All of these communities have a 1% home rule or non-home rule sales tax in place. Also, every one of these communities put in place the 1% grocery tax that went into effect on January 1, 2026, the same as Park Forest. The yellow highlighted areas point out the Village's tax rate is 1% lower than these other communities. Establishing a 1% home rule sales tax would raise our total rate to 10%, which is where all other communities presented on the attached chart are.

Richton Park also has a business district that has a sales tax rate of 11%, which is in the attached chart, as well. It has all of the same tax rates that the Village of Richton Park has plus an additional 1% business district sales tax. This business district covers most properties in Richton Park on Sauk Trail, Governors Highway and some of the side roads attached to those two main corridors.

One of the main benefits of this sales tax increase is that it will not only be Park Forest residents paying this tax, but it will also be non-residents paying this sales tax and that is a good thing. In fact, the majority of sales taxes collected in Park Forest appear to be non-residents. This is one method to have

non-residents pay for Village services they are currently using but are not paying for the costs. This is revenue collected from people working or passing through our community on daily basis. By raising revenue in this way, we are helping to stabilize and lower our property taxes, which has been the biggest barrier to growing our commercial and retail tax collecting businesses here in Park Forest.

There are a couple of other key things to know about sales taxes, and this proposed Ordinance. First, although sales tax is considered to be more regressive than other forms of taxation, like property taxes, it is important to note here that there are no sales tax collected on transactions using SNAP benefits. This means this vulnerable population is not going to be impacted by this proposed tax. Also, the proposed Ordinance does have some exceptions to this sales tax, exempting groceries, prescriptions, and other medical and feminine products.

Adopting this Ordinance and placing it on file with the Illinois Department of Revenue (IDOR) by April 1, 2026 will allow this 1% home rule sales tax to take effect on July 1, 2026. As a part of next year's budget process, the Village Board will provide guidance on how to best utilize this enhanced revenue, though there has already been some discussion around this. Some of the things that could be eliminated as a result of this revenue could include elimination of alarm registration fees, phasing down or out vehicle stickers, or abatement of the needed property tax increase to cover the Aqua Center redevelopment project.

SCHEDULE FOR CONSIDERATION: This ordinance appeared on the agenda of the March 2, 2026 Board meeting for discussion and first read of ordinance. This Ordinance was on the March 16, 2026 Board meeting for final read and adoption, but ultimately failed due to a 3-1 vote if a number of the members of the Board being absent. This item will be on the agenda of a Special Board meeting scheduled for March 23, 2026 for reconsideration.

ORDINANCE NO. _____

AN ORDINANCE IMPOSING A HOME RULE MUNICIPAL RETAILERS' AND SERVICE OCCUPATION TAX OF 1% WHILE EXEMPTING CERTAIN FOOD AND DRUGS

WHEREAS, the Village of Park Forest, Cook and Will Counties, Illinois, is a home rule unit of government pursuant to the provision of Article VII, Section 6 of the Illinois Constitution; and

WHEREAS, as a home rule unit of government, the Village may exercise any power and perform any function pertaining to its government except as limited by Article VII, Section 6; and

WHEREAS, the Village of Park Forest desires to impose a 1% home rule sales tax on goods and services sold within the corporate boundaries of the Village of Park Forest.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and the Board of Trustees of the Village of Park Forest, Cook and Will Counties, Illinois, as follows:

Section 1. Recitals Incorporated. The recitals set forth above are a material part of this Ordinance and are incorporated into this Section 1 in their entirety.

Section 2. Home Rule Occupation Taxes. Chapter 98 (Taxation) of the Code of Ordinances, Village of Park Forest, Cook and Will Counties, Illinois, is hereby amended to add Article XII, Sections 98-320 and 98-321, as follows:

ARTICLE XII – HOME RULE MUNICIPAL RETAILERS' AND SERVICE OCCUPATION TAXES IMPOSED

Sec. 98-320. – Home Rule Municipal Retailers' Occupation Tax and Home Rule Municipal Service Occupation Tax – imposed.

A tax is hereby imposed upon all persons engaged in the business of selling tangible personal property, other than an item of tangible personal property titled or registered with an agency of this State's government, at retail within the corporate boundaries of the Village of Park Forest at the rate of one percent (1.0%) of the gross receipts from such sales made in the course of such business while this ordinance is in effect; and a tax is hereby imposed upon all persons engaged within the corporate boundaries of the Village of Park Forest in the business of making sales of service, at a rate of one percent (1.0%) of the selling price of all tangible personal property transferred by such serviceman as an incident to a sale of service. Such "Home Rule Municipal Retailers' Occupational Tax" and "Home Rule Municipal Service Occupation Tax" shall not be applicable on the sale of food for human consumption which is to be consumed off the premises where it is sold (other than alcoholic

beverages, soft drinks, and food which has been prepared for immediate consumption) and prescription and non-prescription medicines, drugs, medical appliances, and insulin, urine testing materials, syringes and needles used by diabetics.

The imposition of these home rule taxes is in accordance with and subject to the provisions of Sections 8-11-1 and 8-11-5, respectively, of the Illinois Municipal Code, 65 ILCS 5/8-11-1 and 5/8-11-5.

Sec. 98-321. – Tax Collected by Illinois Department of Revenue. The taxes hereby imposed, and all civil penalties that may be assessed as an incident thereto, shall be collected and enforced by the Department of Revenue of the State of Illinois. The Department of Revenue shall have full power to administer and enforce the provisions of this Ordinance.

Section 3. Effective Date. The rate set forth in this Ordinance shall become effective beginning July 1, 2026 following the filing of this Ordinance by the Village Clerk with the Illinois Department of Revenue by April 1, 2026.

Section 4. Repeal of Conflicting Provisions. All ordinances and resolutions, or parts thereof, in conflict with the provisions of this Ordinance, are hereby repealed to the extent of the conflict.

Section 5. Clerk to File Ordinance with Illinois Department of Revenue. The Village Clerk is hereby directed to file a certified copy of this Ordinance with the Illinois Department of Revenue of the State of Illinois prior to April 1, 2026.

Section 6. Publication. The Village Clerk is directed to publish this Ordinance in pamphlet form, and this Ordinance shall be in full force and effect after its passage and publication in accordance with 65 ILCS 5/1-2-4.

PASSED THIS _____ DAY OF _____, 2026.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED THIS _____ DAY OF _____, 2026.

ATTEST:

VILLAGE PRESIDENT

VILLAGE CLERK

