

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE PERTAINING TO THE LICENSING AND REGULATION OF  
VIDEO GAMING FOR THE CITY OF CREST HILL**

**WHEREAS**, the City of Crest Hill, Will County, Illinois is a non-home rule unit of government; and

**WHEREAS**, the Illinois Video Gaming Act (“VGA”), 230 ILCS 40/1, *et seq.*, regulates the operation, licensing, and administration of video gaming; and

**WHEREAS**, Section 27 of the VGA authorizes the City to prohibit video gaming within the corporate limits of the City and implied within such authorization is the authority to limit, license and regulate video gaming within the corporate limits of the City;

**WHEREAS**, the City is authorized by Section 4-1 of the Illinois Liquor Control Act of 1934 (235 ILCS 5/4-1) to establish regulations and restrictions upon the issuance of and operations under local licenses for sale at retail of alcoholic liquor not inconsistent with the Illinois Liquor Control Act as the public good and convenience may require;

**WHEREAS**, the City is authorized by Section 11-5-1 of the Illinois Municipal Code (65 ILCS 5/11-5-1) to suppress gaming and gambling houses; and

**WHEREAS**, the corporate authorities of the City have determined that it is advisable, necessary and in the best interest of the City to regulate, consistent with the VGA, the location and operation of video gaming terminals within the City;

**NOW, THEREFORE, BE IT ORDAINED AS FOLLOWS:**

**SECTION 1:** The foregoing recitals shall be and are hereby incorporated as findings of fact as if said recitals were fully set forth herein.

**SECTION 2:** Title 5 Chapter 5.77 entitled “VIDEO GAMING” is hereby adopted:

**Chapter 5.77**

**5.77 VIDEO GAMING**

**5.77.010: APPLICABILITY OF PROVISIONS**

The provisions of this chapter, except as otherwise provided, shall apply to all video gaming as hereinafter defined, whether specifically licensed or regulated under other provisions of this code or other ordinances, or not.

**5.77.020: DEFINITIONS**

A. Board: the Illinois Gaming Board.

B. Commercial Motor Vehicles: as defined in Section 18b-101 of the Illinois Vehicle Code, 625 ILCS 5/18b-101.

C. Licensed Establishment: any business licensed by the State of Illinois to have or operate a video gaming device in the City, including any licensed fraternal establishment, licensed veterans establishment, licensed truck stop establishment and licensed large truck stop establishment as those terms are defined in the VGA, 230 ILCS 40/5.

D. Licensed Fraternal Establishment: the location where a qualified fraternal organization that derives its charter from a national fraternal organization regularly meets.

E. Licensed Veterans Establishment: the location where a qualified veterans organization that derives its charter from a national veterans organization regularly meets.

F. Licensed Truck Stop Establishment: a facility (i) that is at least a three-acre facility with a convenience store; (ii) with separate diesel islands for fueling commercial motor vehicles; (iii) that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month; and (iv) with parking spaces for commercial motor vehicles. The requirement of item (iii) of this paragraph may be met by showing that estimated future sales or past sales average at least 10,000 gallons per month.

G. Licensed Large Truck Stop Establishment: a facility located within three road miles from a freeway interchange, as measured in accordance with the Department of Transportation's rules regarding the criteria for the installation of business signs: (i) that is at least a three-acre facility with a convenience store; (ii) with separate diesel islands for fueling commercial motor vehicles; (iii) that sells at retail more than 50,000 gallons of diesel or biodiesel fuel per month; and (iv) with parking spaces for commercial motor vehicles. The requirement of item (iii) of this definition may be met by showing that estimated future sales or past sales average at least 50,000 gallons per month.

H. Video Gaming Terminal: any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to, video poker, line up and blackjack, as authorized by the Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash or tokens or is for amusement purposes only.

### **5.77.030: LICENSE**

A. No person, either as owner, lessee, manager, officer or agent, or in any other capacity, shall operate or permit to be operated any video gaming terminal, as defined herein, at any premises within the City without first having obtained a video gaming license from the City. The license provided for in this Article shall permit a licensee to operate video gaming terminals at the specified establishment.

B. No applicant, including any person, either as owner, lessee, manager, officer or agent, shall be eligible for a video gaming license from the City, nor shall an existing license holder be entitled to maintain a video gaming license, unless each of the following requirements are met and continue to be met:

- 1) The applicant holds the appropriate certificate or license from the State of Illinois

permitting video gaming and is in good standing with same;

- 2) The establishment has been in operation at the location for at least six (6) months at the time the application is filed;
- 3) The establishment must maintain customer seating outside of the gaming area but within the premises at a ratio of at least five seats for each permitted video gaming terminal;
- 4) The applicant is not in arrears in any tax, fee or bill due to the City or State of Illinois;
- 5) The applicant has completed and complies with all the application requirements set forth in Section 4 of this Chapter and is not disqualified due to a felony, gambling offense, or crime of moral turpitude; and
- 6) The establishment is located outside of a residential zoning district.

C. Large truck stop and regular truck stop establishments do not need to meet the requirements set forth in Section 3(C) of this Article.

D. The Mayor shall be the approving authority for all licenses. In the event a licensee or prospective licensee disagrees with any action taken by the Mayor, an appeal may be made directly to the City Council at its next regularly scheduled meeting after written notice of the action from which an appeal is made.

#### **5.77.040: LICENSE APPLICATION REQUIREMENTS**

The license applicant shall provide the following information to the City on a form provided by the City:

- A. The legal name of the establishment;
- B. The business name of the establishment;
- C. The address of the establishment where the video gaming terminals are to be located;
- D. The type of establishment, including whether it is classified as a veteran, fraternal, regular truck stop, large truck stop or liquor establishment and supporting documentation demonstrating the classification;
- E. A floor plan, drawn to scale using a computer, detailing the overall layout of the establishment, including the location and count of dining seating, the location and count of video gaming terminals and seating for said terminals, and other significant features of the establishment, including exit locations, restrooms and other equipment. A high-resolution electronic copy of the floor plan as well as a paper printed copy (no smaller than 11 inches by 17 inches) shall be submitted at the time of application; hand-drawn floor plans and floor plans not

including a scale will not be accepted;

F. The amount of time the establishment has been in business under the ownership of the applicant at the location where video gaming is proposed to take place;

G. The business office address of the establishment if different from the address of the establishment;

H. In the case of a corporation, limited liability company or trust, the name and address of an agent authorized and designated to accept service on behalf of the licensee;

I. A phone number for the establishment;

J. An e-mail address for the establishment;

K. The name and address of every person owning more than a 5% share of the establishment;

L. The name, address, phone number and e-mail address of any terminal operator or distributor proposed to own, service or maintain video gaming terminals at the establishment;

M. A copy of the establishment's State of Illinois video gaming license;

N. In the case of a corporation, limited liability company or partnership, a copy of the establishment's state certificate of good standing;

O. A statement as to the number of video gaming terminals which the establishment proposes to have on its premises (not to exceed five for all establishments);

P. A statement that the establishment is not in arrears in any tax, fee or bill due to the City or State of Illinois;

Q. A statement that the establishment agrees to abide by all state and federal laws and any local ordinance;

R. A statement that no manager or owner with more than 5% interest in the establishment has ever been convicted of a felony, a gambling offense or a crime of moral turpitude. In the event that an establishment cannot provide such statement, the establishment may apply for a certificate of rehabilitation from the City indicating that the individual who would disqualify the establishment from obtaining the video gaming license has been rehabilitated and is no longer a threat to violate the law. The City may consider the nature of the offense, the length of time since the offense, the length of time since release from custody and other factors to determine if the individual has been rehabilitated such that he or she is no longer likely to commit another offense;

S. If the application is for a new establishment based on the business model of another existing location, information regarding the existing business location must be provided, including the type of business, the gross receipts as compared to any video gaming revenue for

the prior 12-month period, proof of the length of time the existing business has been operational and proof of ownership verifying the applicant's ownership rights;

T. For renewal applications, a report or reports showing its gross annual revenue for the previous calendar year by category of revenue generated and showing the percentage of gaming revenue payable to the establishment as compared to the total gross revenues of the establishment.

#### **577.050: APPLICATION FILING; RENEWALS**

A. Applications, including initial applications and renewal applications, shall be processed by the City Clerk on a first come, first served basis. Every application shall be date and time stamped upon filing. An application received in the mail shall be considered filed on the date and time it is opened by the City Clerk's department.

B. Every video gaming license holder shall be required to file a renewal application, which may contain the same or similar information as set forth in Section 4. Renewal applications shall be due on or before December 31 unless that day falls on a holiday, in which case the application may be received by the Clerk on the following business day.

#### **5.77.060: LICENSE FEES**

The fee for operation of a video gaming terminal shall be \$250.00 per terminal annually. The cost of this fee shall be shared equally between the terminal operator and the applicable licensed establishment.

Each license fee shall terminate on December 31 next following issuance. For an initial application for a video gaming terminal license, the license fee to be paid shall be pro-rated to the first of the month that operation of the video gaming terminal(s) commences and all such fees shall be non-refundable once paid. Further, all application fees are non-refundable.

The full amount of any annual renewal of existing video gaming licenses shall be paid by December 31.

All licenses required by this division shall be prominently displayed next to the video gaming terminal.

#### **5.77.070: LICENSE REVOCATION OR SUSPENSION**

The Mayor, at any time, may notify any licensee under this division within five (5) business days of any charge of a violation of any of the provisions of this Article in connection with the operation of any video gaming terminal. After a hearing presided over by the Mayor, the Mayor may order the revocation of the license upon a finding that the violation has occurred, and the license shall thereupon be terminated. The licensee may appeal the revocation as prescribed in Section 3(F). The failure by the licensee to pay any debt owed to the City, including the annual fees established by Chapter 5.77 shall be grounds for revocation of said license by the Mayor.

In the event of the revocation or denial of any license or registration under this Section, such person shall not be issued any license provided for in this Article for one calendar year

following the revocation or any appeal thereof.

**5.77.080: Reserved**

**5.77.090: LIMITATION ON NUMBER OF VIDEO GAMING TERMINALS ON PREMISES**

There shall be no more than 6 video gaming terminals allowed and permits issued therefore under this Article for each licensee at any one location, other than a licensed large truck stop establishment.

There shall be no more than 10 video gaming terminals allowed and permits issued therefore under this Article for each licensee at any licensed large truck stop establishment.

**5.77.100: PROHIBITION**

Except as otherwise excepted in this Article, it shall be unlawful for any person to gamble within the corporate limits of the City, or for any person or entity which owns, occupies or controls an establishment within the City to knowingly permit others to gamble on the premises.

**5.77.110: EXCEPTIONS**

Nothing in this Article shall be deemed to prohibit or make unlawful the following activities or forms of gambling: the keeping, possession, ownership, use or playing of a video gaming terminal in a licensed establishment, licensed truck stop establishment, licensed fraternal establishment or licensed veterans establishment, which is licensed by the Board to conduct or allow such specific activities under the VGA, 230 ILCS 40/1, *et seq.*

**5.77.120: LICENSED ESTABLISHMENTS**

Any business, liquor or food licensee within the corporate limits of the City that allows gambling to occur on premises in violation of this Section shall be subject to having his/her/its license immediately revoked for a period of sixty (60) days. Any business, liquor or food licensee within the corporate limits of the City that allows gambling to occur on premises in violation of this Article a second time shall have his/her/its license permanently revoked and, thereafter, barred from obtaining any business, liquor or food license within the City.

**5.77.130: SEIZURE OF UNAUTHORIZED GAMBLING DEVICES AND GAMBLING FUNDS**

Any gambling device which is not authorized by this Article shall be subject to immediate seizure and confiscation by the City. Any money or other thing of value intrinsically related to acts of gambling not authorized by this Article shall be seized and forfeited as contraband. Disposition of such gambling devices and funds seized or confiscated shall be made in accordance with the law and Section 9.21.050 of the Crest Hill City Code of Ordinances.

**SECTION 3: REPEAL OF CONFLICTING PROVISIONS.** All ordinances, resolutions, and policies or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of the conflict, expressly repealed on the effective date of this Ordinance.

**SECTION 4: SEVERABILITY.** If any provision of this Ordinance or application thereof to any person or circumstances is ruled unconstitutional or otherwise invalid, such invalidity shall

not affect other provisions or applications of this Ordinance that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Ordinance is severable.

**SECTION 5: EFFECTIVE DATE.** The clerk is directed by the corporate authorities to publish this Ordinance in pamphlet form. This Ordinance shall be in full force and effect immediately after its passage and publication.

*[Left Intentionally Blank]*

PASSED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

	Aye	Nay	Absent	Abstain
Alderman John Vershay	_____	_____	_____	_____
Alderman Scott Dyke	_____	_____	_____	_____
Alderwoman Claudia Gazal	_____	_____	_____	_____
Alderman Darrell Jefferson	_____	_____	_____	_____
Alderperson Tina Oberlin	_____	_____	_____	_____
Alderman Mark Cipiti	_____	_____	_____	_____
Alderman Nate Albert	_____	_____	_____	_____
Alderman Joe Kubal	_____	_____	_____	_____
Mayor Raymond R. Soliman	_____	_____	_____	_____

---

Christine Vershay-Hall, City Clerk

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

---

Raymond R. Soliman, Mayor

ATTEST:

---

Christine Vershay-Hall, City Clerk