

Village of Carol Stream

SPECIAL MEETING

**MONDAY, JULY 9, 2012
6:00 P.M.**

**GREGORY J. BIELAWSKI MUNICIPAL CENTER
500 N. GARY AVENUE
CAROL STREAM, ILLINOIS 60188**

AGENDA

1. CALL TO ORDER
2. ATTENDANCE
3. VIDEO GAMING
4. OTHER BUSINESS
5. ADJOURNMENT

Village of Carol Stream
Interdepartmental Memo

TO: Mayor and Trustees

FROM: Joseph E. Breinig, Village Manager 

DATE: July 6, 2012

RE: Video Gaming

On June 18, 2012 a workshop was held to discuss video gaming as allowed under state statute, the Video Gaming Act. The Village Attorney and staff were directed to draft an ordinance for discussion that would permit video gaming, to identify the costs associated with video gaming oversight, and invite all liquor licensed establishments believed to be eligible for video gaming to a workshop to be held on Monday, July 9.

Attached is the first draft of an ordinance that would permit video gaming. The ordinance follows state law and consistent with discussions held on June 18, incorporates video gaming in Chapter 11 of the Code of Ordinances. Chapter 11 regulates the sale of intoxicating liquors. Under state law an establishment must be licensed for the consumption of alcohol on premises to be eligible for video gaming licensing by the state.

The draft ordinance reiterates the prohibition on video gaming by persons under 21 years of age. An establishment that allows video gaming by underage persons could be cited for a violation of the Video Gaming Act or could be subject to fine or license suspension under the Village's code regulating the sale of intoxicating liquors. This addresses a concern raised by Trustees on June 18.

During the drafting of the ordinance the Village Attorney noted language in Chapter 14, Sections 2-8 through 2-11 that references the Video Gaming Act. The language appears to permit video gaming. A review of ordinances adopted since enactment of the Video Gaming Act in 2009 reveals no action taken to permit video gaming. American Legal Publishing Corporation, the Village's codifier, has attributed the language to a recodification performed in 1997. It appears the language was incorporated as part of a comprehensive update to the Code. If an ordinance permitting video gaming is enacted the Village Attorney believes no additional action will be required. If video gaming is not approved, the noted sections will need to be amended to delete references to video gaming.

At the June 18 workshop staff mentioned that home rule communities were allowed to charge a fee under the Video Gaming Act. Staff suggested having the fee as a surcharge on liquor licenses of establishments licensed by the state for video gaming. Staff was directed to look into administrative and other costs that might be incurred in the oversight of video gaming.

The Police Department envisions something similar to underage alcohol checks performed four times per year at all establishments licensed for the sale of alcohol. The cost for enforcement would be approximately \$582 per check date, or \$2,328 per year per establishment. If administration of this provision occurred with liquor licensing additional costs could be kept to a minimum. Overall costs should not exceed \$2,500 per year per establishment. Finger printing and background checks would not be done because they would be done with the liquor license itself. The draft ordinance will need to be revised in Section 2D to reflect an annual fee.

As noted on June 18 staff believes that sixteen potential licensed establishments and one potential veterans establishment exist in Carol Stream. Consistent with direction received at that time each of those establishments has been invited to attend the July 9 workshop. To date a couple of those establishments have expressed interest in attending.

Please bring the materials from the June 18 workshop with you on July 9. The foundational information will be useful in the ongoing discussion of this topic. Staff and the Village Attorney will be looking for direction on approval or denial of video gaming.

JEB/td

Attachment

cc: Bob Mellor, Assistant Village Manager
Kevin Orr, Police Chief

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE CAROL STREAM CODE OF ORDINANCES
WITH RESPECT TO VIDEO GAMING**

WHEREAS, the Village of Carol Stream is a home rule unit by virtue of the Illinois Constitution of 1970; and

WHEREAS, the Video Gaming Act (230 ILCS 40/1 *et seq.*, hereinafter the "Act") became law on July 13, 2009, and allows certain defined licensed establishments to conduct video gaming; and

WHEREAS, the Act, although effective immediately upon approval, is subject to a rulemaking process to be undertaken by the Illinois Gaming Board ("Board"); and

WHEREAS, the Act mandates the Board develop and adopt emergency rulemaking within sixty (60) days of July 13, 2009 for the purpose of implementing the provisions of the Acts; and

WHEREAS, the Board has now adopted rules with respect to the licensing and regulation of video gaming; and

WHEREAS, the Mayor and Board of Trustees now find it to be in the best interests of the Village to allow video gaming within the Village in accordance with the provisions of this ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND BOARD OF TRUSTEES OF THE VILLAGE OF CAROL STREAM, DUPAGE COUNTY, ILLINOIS, in the exercise of its home rule authority, as follows:

SECTION 1:

The foregoing recitals are hereby made a part hereof as fully restated herein.

SECTION 2:

The Carol Stream Code of Ordinances, Chapter 11, "Intoxicating Liquors", Section 11-2-27, Gambling is here by amended and as amended shall read as follows:

11-2-27 Gambling and Video Gaming

- A. It shall be unlawful to permit any gambling on any premises licensed to sell alcoholic liquor, except as otherwise provided herein.
- B. Premises licensed to sell alcoholic liquor are authorized to operate video gaming terminals only when licensed by the Illinois Gaming Board pursuant to the provisions of the Illinois Gaming Act, 230 ILCS 40/1 *et seq.* and in accordance with this Section.
- C. Every establishment licensed to sell alcoholic liquor by the liquor control commissioner of the village and licensed to operate a video gaming terminal by the

Illinois Gaming Board pursuant to the provisions of the Illinois Video Gaming Act, 230 ILCS 40/1 et seq., shall be required to pay a fee for the privilege of operating each video gaming terminal within the Village.

D. The fee for each video gaming terminal shall be _____ for each video gaming terminal. [or _____ for the first video gaming terminal and _____ for every gaming terminal thereafter]

E. Upon payment of the video gaming fee the village clerk shall issue a video gaming sticker which shall be affixed to each video gaming terminal in a conspicuous place, readily identifiable upon public inspection.

F. It is unlawful to operate a video gaming terminal in the village without a valid video gaming sticker affixed thereon.

G. No more than five (5) video gaming terminals shall be located on any premises licensed to sell alcoholic liquor.

H. Video gaming shall be located in an area that is restricted to persons over twenty-one (21) years of age.

I. Video gaming terminals may not be operated or played during the hours alcoholic liquor sales are prohibited as provided in Section 11-2-24.

J. Every establishment licensed to sell alcoholic liquor shall comply with all provisions of the Illinois Video Gaming Act, 230 ILCS 40/1 et seq., and all rules, regulations and restrictions imposed by the Illinois Gaming Board.

SECTION 3:

The Carol Stream Code of Ordinances, Chapter 11, "Intoxicating Liquors", is hereby amended by adding Section 11-2-37, "Video gaming by persons under 21 years of age prohibited", which shall read as follows

11-2-37 Video Gaming by Persons Under 21 Years of Age Prohibited.

A. It is unlawful for any person under the age of twenty-one years to play or operate a video gaming terminal.

B.. It is unlawful for any licensee, its employees or agents, to allow any person under the age of twenty-one years to play or operate a video gaming terminal.

SECTION 4:

Those sections, paragraphs, and provisions of Chapter 11 of the Village of Carol Stream Code of Ordinances which are not expressly amended or repealed by this Ordinance are hereby re-enacted, and it is expressly declared to be the intention of this Ordinance not to repeal or amend any portions of the Carol Stream Code or Ordinances other than those expressly amended or repealed in Sections 2 and 3 of this Ordinance.

SECTION 5:

The invalidity of any section or provision of this Ordinance hereby passed and approved shall not invalidate other sections or provisions thereof.

SECTION 6:

The provisions of this Ordinance shall be in full force and effect upon its passage, approval and publication, in accordance with law.

ADOPTED BY THE MAYOR AND BOARD OF TRUSTEES of the Village of Carol Stream, Illinois at a regular meeting thereof held on the ____ day of _____, 2012, pursuant to a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by me this ____ day of _____, 2012.

Mayor

(SEAL)

ATTEST:

Village Clerk