

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

Resolution or Ordinance (Blue) Waiver of First Requested
 Recommendations of Boards, Commissions & Committees (Green)
 Other Business (Pink)

TO : PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott Niehaus, Village Manager

DATE : August 6, 2019 **(BOT) Date:** August 15, 2019

SUBJECT: Coin-Operations and Amusement Tax Amendments to Title XI, Chapter 110, Article II of the Village Code

SUBMITTED BY: William J. Heniff, AICP, Director of Community Development

BACKGROUND/POLICY IMPLICATIONS:

The Department of Community Development and the Licensing Division of the Village Manager's Office is jointly submitting recommendations relative to coin-operated amusement device amendments to Title XI, Chapter 110, Article II of Village Code

The ECDC recommended approval to change the licensing fee structure to \$75.00/machine by a unanimous vote. Staff recommends that the changes as outlined under the Licensing Division portion be approved.

Please place this item on the August 15, 2019 Board of Trustees consent agenda for consideration.

Staff is requesting a waiver of first reading

Fiscal Impact/Funding Source:

Review (as necessary):
Finance Director _____ Date _____
Village Manager _____ Date _____

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the



MEMORANDUM

TO: Scott R. Niehaus, Village Manager

FROM: William J. Heniff, AICP, Director of Community Development
Janet Downer, Business Administrator/Deputy Village Clerk

MEETING DATE: August 15, 2019

SUBJECT: **Coin-Operations and Amusement Tax
Amendments to Title XI, Chapter 110, Article II of the Village Code**

The Department of Community Development and the Licensing Division of the Village Manager's Office is jointly submitting recommendations relative to coin-operated amusement device amendments to Title XI, Chapter 110, Article II of Village Code.

COMMUNITY DEVELOPMENT DEPARTMENT AND ECONOMIC AND COMMUNITY DEVELOPMENT COMMITTEE REVIEW

Per the request of a new business coming to Lombard, staff reviewed the Village Code regarding the licensing fees of coin-operated amusement devices. The current code places an annual \$200 fee per machine for the first ten in an establishment with all subsequent machines having a \$75 fee. Following research and analysis, staff concluded that Lombard's fee structure was on the high end of costs for similar taxes and fees compared to surrounding municipalities. Following the tabling of the issue at the June 10 ECDC meeting, on July 8, the ECDC approved staff's recommendation to amend Section 110.21 (B) of the Village Code, thus altering the fee structure to be an annual fee of \$75 per machine, regardless of the amount.

LICENSING DIVISION OF THE VILLAGE MANAGER'S OFFICE

Coin-operated amusement devices are one of many types of business licenses that are renewed on an annual basis. Title XI, Chapter 110, Section 110.21(C) states there shall be issued no more than the stated number of annual coin-operated licenses. These licenses are categorized into two Classes:

- Class A - number of business establishments that have four to eight coin-operated devices on site.
- Class B – number of business establishments that have over eight coin-operated devices on site.

The July 1, 2019 to June 30, 2020 business licensing renewal period has just concluded. As a result, the number and/or name of the business establishments that have a Class A or Class B license has changed.

Brauer House and Lombard Roller Rink are the only two business establishments that have 4-8 coin operated devices on site, consequently, the number of licenses in that category has decreased from three to two (Punky's was the third but they have changed ownership and the number of devices). Enchanted Castle and The Game Room have over 8 coin-operated devices on site, consequently, the number of licenses in the Class B license category remains at 2 but the businesses that hold the Class B designation has changed from Enchanted Castle and Whirly Ball (who have ceased to do business in the Village) to Enchanted Castle and The Game Room.

Staff also took this opportunity to review Title XI, Chapter 110, Article II for accuracy. The Code currently contains references to a Class C license, the Bureau of Inspectional Services Division, as well as other outdated language. Staff is requesting text amendments to the sections of Code that contain the outdated language as noted in the ordinance.

Action Requested

The ECDC recommended approval to change the licensing fee structure to \$75.00/machine by a unanimous vote. Staff recommends that the changes as outlined under the Licensing Division portion be approved.

Please place this item on the August 15, 2019 Board of Trustees consent agenda for consideration.

Staff is requesting a waiver of first reading.

ORDINANCE NO. _____

**AN ORDINANCE AMENDING TITLE XI, CHAPTER 110
OF THE LOMBARD VILLAGE CODE
IN REGARD TO COIN-OPERATED AMUSEMENT DEVICES**

BE IT ORDAINED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: That Title XI, Chapter 110, Section 110.21(B) of the Lombard Village Code is amended to read in its entirety as follows:

“(B) Each coin-operated amusement device shall be separately licensed at an annual fee of Seventy-Five and No/100 Dollars (\$75.00) per coin-operated amusement device.”

SECTION 2: That Title XI, Chapter 110, Section 110.21(C) of the Lombard Village Code is hereby amended by revising the language therein, relative to the authorized number of Class A and Class B licenses, to read in its entirety as follows:

Class A

Four (4) to eight (8) coin-operated amusement devices.

No more than two (2) licenses.

Class B

More than eight (8) coin-operated amusement devices.

No more than two (2) licenses.”

In this regard, the two (2) Class A licenses are currently issued to Brauer House, 1000 North Rohlwing Road, Lombard, Illinois, and the Lombard Roller Rink, 201 West 22nd Street, Lombard, Illinois; and the two (2) Class B licenses are currently issued to

Enchanted Castle, 1103 South Main Street, Lombard, Illinois, and The Game Show, 203 Yorktown, Suite 170, Lombard, Illinois.

SECTION 3: That Title XI, Chapter 110, Section 110.22(E) of the Lombard Village Code is amended by revising the reference therein to “Bureau of Inspectional Services” to read “Community Development Department, Building Division.”

SECTION 4: That Title XI, Chapter 110, Section 110.25 of the Lombard Village Code is hereby amended by revising the reference therein to “For Class B and C licenses” to read “For a Class B license.”

SECTION 5: That Title XI, Chapter 110, Section 110.28(C) of the Lombard Village Code is hereby repealed.

SECTION 6: That Title XI, Chapter 110, Section 110.28(D) of the Lombard Village Code is hereby relabeled as Section 110.28(C).

SECTION 7: That Title XI, Chapter 110, Section 110.30 of the Lombard Village Code is hereby amended by deleting the reference therein to “Bureau of Inspectional Services.”

SECTION 8: That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, as provided by law.

Passed on first reading this _____ day of _____, 2019.

First reading waived by action of the Board of Trustees this ____ day of _____, 2019.

Passed on second reading this _____ day of _____, 2019,
pursuant to a roll call vote as follows.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by me this _____ day of _____, 2019.

Keith Giagnorio, Village President

ATTEST:

Sharon Kuderna, Village Clerk

Published by me in pamphlet form this ____ day of _____, 2019

Sharon Kuderna, Village Clerk