

Video Gaming Frequently Asked Questions: October 2018

1. What is Lombard's History when it comes to video gaming?

In 2010 and in 2014 this matter was brought to the Village Board for consideration. The Village took public comment and heard concerns from residents in the community. At such time, the majority of public comments reflected opposition to the concept and the Village Board voted not to proceed with video gaming. Currently, video gaming is prohibited in the Village of Lombard.

2. Is video gaming allowed in Illinois?

Yes. The Video Gaming Act was enacted in July 2009, authorizing the placement of up to five Video Gaming Terminals (VGTs) in licensed Retail Establishments, Truck Stops, Veteran and Fraternal Establishments. The VGTs are all connected to and monitored by a Central Communications System.

3. What is a Video Gaming Terminal?

A "Video Gaming Terminal" ("VGT") is an electronic video gaming machine that plays or simulates the play of a video game authorized by the Board upon the insertion of cash. Authorized video games include, but are not limited to, video poker, line up, and blackjack. The VGT must utilize a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. VGT does not include a Terminal that directly dispenses coins, cash, or tokens or is for amusement purposes only.

4. Does Lombard have restrictions against the use of VGTs?

Yes. Lombard currently restricts the use of VGTs. In DuPage County, a municipality may pass an ordinance prohibiting video gaming within the corporate limits of the municipality. Additionally, the county board may also pass an ordinance prohibiting video gaming within the unincorporated areas of the county.

5. Why is the Village once again discussing video gaming?

At a Village Board meeting on August 16, 2018, several local business and restaurant owners spoke during public comment, requesting that the Village reconsider its ban on video gaming. Their concern was that Lombard restaurants are losing customers and revenue to neighboring communities that do offer video gaming. Consequently, the Village Board of Trustees has requested that the topic of video gaming be discussed by a number of resident committees in the coming months. View a video of that Board Meeting at: www.villageoflombard.granicus.com/MediaPlayer.php?view_id=4&clip_id=621. (Also available at www.villageoflombard.org/videogaming)

6. How is the Village going to be revisiting this topic?

Following the request of business owners to reconsider the ban, the Board of Trustees requested initial review by several resident committees. Since the topic was requested to be revisited by Lombard restaurant owners, the issue will be discussed first at a Committee level. Each committee, consisting of Lombard residents, will discuss the topic as it pertains to their purview.

The topic will be on the agendas for the:

- Finance and Administration Committee on October 22: Meeting Details
- Public Safety and Transportation Committee on November 7: Meeting Details TBD
- Community Relations Committee on November 12: Meeting Details TBD
- Economic & Community Development Committee on December 10: Meeting Details TBD

7. Is the Village going to allow video gaming?

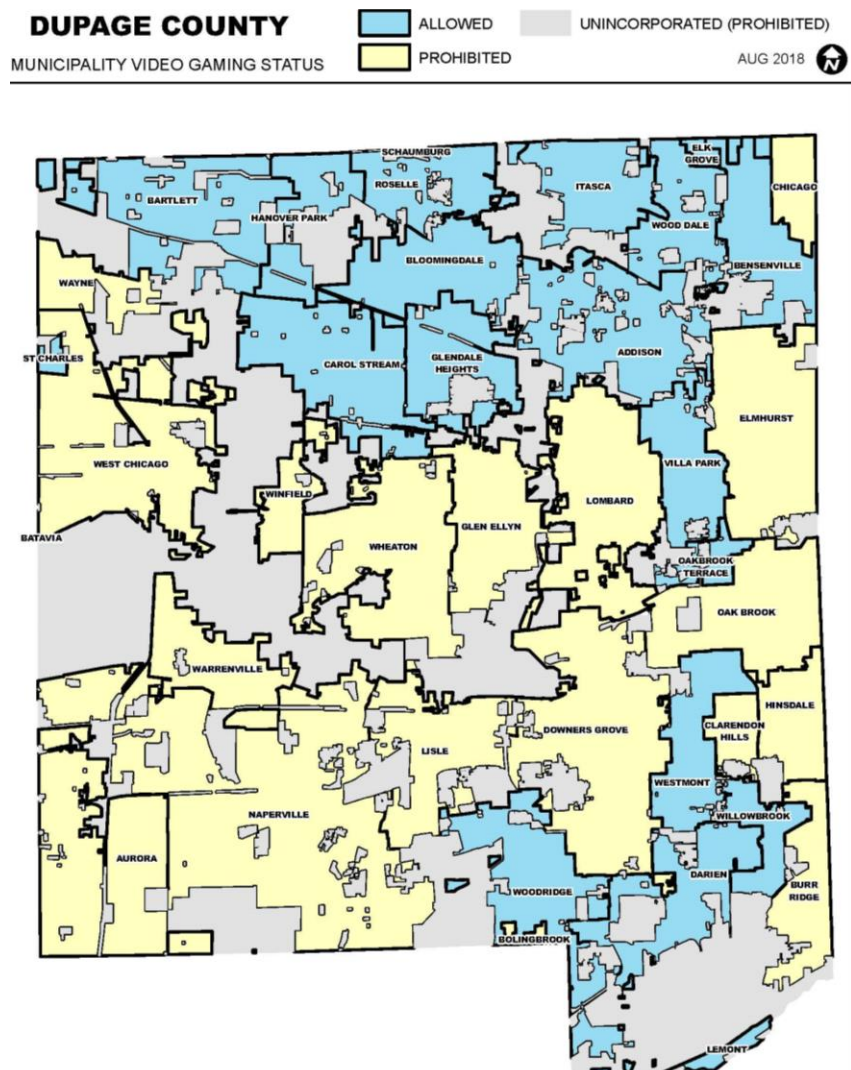
As of October 18, 2018, the Village is gathering information from interested business owners and the community, in order to gauge interest in the implementation of video gaming. The topic will move to committees for discussion as mentioned above and their recommendation will be provided to the Village Board for consideration.

8. Is there a timeline established for any decisions regarding video gaming?

After the above committee meeting dates, the Village Board may hold workshops for further discussion and lastly, the item would appear on a Village Board agenda.

9. How many DuPage County Municipalities have restrictions against video gaming?

At the present time, 16 DuPage County municipalities, including unincorporated DuPage County, DO NOT currently permit video gaming and 16 municipalities DO allow video gaming. IF Lombard implemented video gaming, those numbers would switch from 15 municipalities that do NOT, and 17 municipalities that DO allow video gaming.



10. How many communities have approved video gaming since it was approved in Illinois?

968 governing bodies in Illinois have approved video gaming to some extent.

11. Is there a limit on how much you can win or bet on a video gaming terminal?

Yes. The Video Gaming Act sets forth both maximum wagers and maximum earnings. The maximum wager per hand is capped at \$2.00 and the maximum cash award for a single hand is \$500.00. Additionally, the value of credits are limited to 5¢, 10¢, or 25¢.

12. How would video gaming work?

Illinois' Video Gaming Act authorized the placement of up to 5 video gaming terminals in licensed retail establishments, fraternal and veteran's establishments with a liquor license, where permitted by local ordinance.

13. How are funds collected by video gaming distributed?

Video gambling revenues, after payouts to winners, are taxed at a flat 30% rate, with 25% going to the State and the other 5% going to the local municipality. The remaining 70% of revenue is divided equally between the establishments and terminal operators.

14. If video gaming was allowed in Lombard, what would the estimated income be for the Village?

There are 16 municipalities in DuPage County that allow video gaming. The average income from video gaming for those municipalities was \$97,958 in 2015, \$130,962 in 2016, \$159,458 in 2017, and \$183,013 for the past trailing 12 months (September 2017 – August 2018). The potential new revenue generated by the implementation of video gaming depends on how many businesses participate, and how many machines each business chooses to put in their establishment. Based upon preliminary phone calls to business owners the Village estimates potential implementation of approximately 40-50 gaming terminals. It is estimated that the implementation of video gaming would generate approximately \$131,720 - \$164,650 in revenue to the Village, if there are no restrictions on the type of establishments that allow video gaming.

15. How would funds raised from Video Gaming be spent by the Village of Lombard?

The Village would utilize its portion of income (5%) to fund core services, including Police, Fire, Public Works, Community Development and long term financial planning.

16. What types of establishments are eligible for video gaming terminals?

Licensed establishments include licensed retail establishments where alcoholic liquor is drawn, poured, mixed, or otherwise served for consumption on premises, licensed truck stops and fraternal establishments

17. What are the hours of operation for video gaming terminals?

Video gaming terminals may only be played during the legal hours of operation allowed for the consumption of alcoholic beverages at the licensed premises.

18. In addition to hours of operation, what are some of the State’s restrictions when it comes to video gaming?

Per State law, the following restrictions apply to operation of video gaming terminals:

- **Location**
Video gaming terminals may not be operated within 1,000 feet of a horse racing or riverboat gambling facility or within 100 feet of a school or place of worship.

- **Number of Machines**
No more than five machines are allowed on any premises

- **Location of Machines**
Video gaming machines must be located in an area that is restricted to persons aged 21 or older, and in view of at least one employee.

- **Age Restriction**
No one age 20 years old or younger is permitted to play at a video gaming terminal.

19. How are video gaming terminals restricted or supervised within establishments with video gaming?

All video gaming terminals must be located in areas restricted to persons over 21 years of age. Licensed video gaming locations that restrict admittance to patrons 21 years of age or older, are not required to have a separate restricted area. In locations where separation from minors is required, a physical barrier to the gaming area is required and may consist of a short partition, gate, rope or other means of separation and shall not visually obscure the entrance to the gaming area from an employee of the licensed video gaming location who is over 21. The Video Gaming Act requires that video gaming terminals must be within the view of at least one owner, manager, or employee of the establishment who is over 21 and shall be present during all hours of terminal operation. While locations may utilize closed circuit TV to monitor the entrance to the area in addition to an employee, closed circuit TV may not be utilized in lieu of an employee. Licensed video gaming establishments must also prevent access to or play of terminals by any persons who are visibly intoxicated.

20. Would the Village be able to add additional restrictions?

Yes. The Village Board of Trustees may choose to adopt its own local restrictions regarding video gaming including but not limited to:

- **Gaming Revenue Limitations:** Limiting the percentage of income received from video gaming to a certain percentage of the overall income of the establishment.
- **License Waiting Periods:** Ensuring interested locations are established businesses capable of operations without reliance on video gaming.
- **Security and Public Safety Requirements:** Surveillance requirements including burglar alarms and additional safety measures in place.
- **Promotional Signage Restrictions:** Restricting video gaming signage.

21. Is there feedback available from other municipalities who have allowed Video Gaming?

Yes. Since the adoption of video gaming, the Police Departments of nearby towns reported no major issues identified as a result of video gaming. Also, with regard to licensing of terminal vendors, this responsibility would not fall under the Village; the Illinois Video Gaming Board is responsible for performing all background checks and licensing video gaming terminal towers.

22. As a business owner or resident, when would I be able to provide feedback regarding the topic of video gaming?

Public comment would be available workshops (although no official dates have been determined), or at upcoming committee meetings (listed above in #6) or at Village Board meetings. View all upcoming meeting dates at www.villageoflombard.org/villagecalendar. Anyone who would like to submit their feedback regarding this topic may contact the Village at videogaming@villageoflombard.org.

23. Where can I find updates on this topic?

The Village will post all updates and information regarding video gaming on this page, www.villageoflombard.org/videogaming.