

**VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION**

 X 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 R. Niehaus, Village Manager

DATE: April 5, 2022 (B of T) Date: April 7, 2022

TITLE: Ordinance Amending Title XI, Chapter 112, Section 112.13(A)
Video Gaming Terminals and Annual Terminal Fees

SUBMITTED BY: Keith T. Giagnorio
 Local Liquor Control Commissioner
 Village President

BACKGROUND/POLICY IMPLICATIONS:

Attached please find for your consideration a proposed ordinance amending Village Code, Title XI, Chapter 110, Article I, Section 110.11, Subsection (B), to reflect the increase of the annual video gaming terminal fee from \$25 to \$250 consistent with recent State legislation permitting such increase for non-home rule municipalities. The Ordinance also reflects an increase in the total number of gaming terminals permitted from five to six to match the maximum number currently permitted by State law.

Please place this item on the April 7, 2022 Board of Trustees agenda for consideration under Separate Action.

FISCAL IMPACT/FUNDING SOURCE:

Review (as necessary):

Village Attorney _____ Date _____

Finance Director _____ Date _____

Village Manager _____ Date _____



#220128

MEMORANDUM

TO: Village Board of Trustees
FROM: Keith Giagnorio, Village President
DATE: April 5, 2022
SUBJECT: VIDEO GAMING LICENSE CONSIDERATIONS

Attached please find a proposed ordinance that would amend the Lombard Village Code to amend the annual video gaming terminal fee from \$25 to \$250 consistent with recent State legislation permitting such increase. The Ordinance will also increase the total number of gaming terminals permitted from five to six to match the maximum number of gaming terminals permitted by State law.

Pursuant to Public Act 102-689, effective December 17, 2021, non-home rule municipalities are authorized to increase the annual gaming terminal fee from a former maximum of \$25.00 to \$250.00 per terminal. The proposed ordinance attached would increase the annual charge for terminal fees consistent with the new authority provided to non-home rule municipalities. The Village of Lombard currently has 9 local liquor license holders approved as licensed video gaming establishments with 45 terminals in total.

At the time that the Village of Lombard adopted an ordinance permitting video gaming terminals locally, the maximum number of terminals permitted by State law was limited to five. The Illinois Video Gaming Act has subsequently been amended to permit a maximum of six video gaming terminals per establishment. The attached Ordinance reflects an increase in the total number of gaming terminals permitted locally from five to six to match the current maximum permitted by State law.

Please review the proposed ordinance and advise of any issues, questions, or concerns. This item will be placed on the revised agenda for our April 7, 2022 Board Meeting under separate action. Changes to the terminal number and fees locally would go into effect upon adoption and publication and, if approved on second reading, will be communicated to local license holders thereafter in connection with terminal license renewals for the new term starting July 1, 2022.

ORDINANCE NO. _____

AN ORDINANCE AMENDING THE LOMBARD VILLAGE CODE IN REGARD TO VIDEO GAMING TERMINALS AND ANNUAL TERMINAL FEES

WHEREAS, the Village of Lombard (“Village”) is a non-home rule unit of local government as provided by Article VII, Section 7 of the Illinois Constitution of 1970; and

WHEREAS, the Village currently allows video gaming within the Village per the Illinois Video Gaming Act (230 ILCS 40/1 *et seq.*) and various sections of the Lombard Village Code enacted pursuant to the authority given to municipalities under the Video Gaming Act; and

WHEREAS, Section 110.11(B) of the Lombard Village Code currently imposes an annual video gaming terminal fee of \$25.00 per terminal; and

WHEREAS, Public Act 102-689, effective December 17, 2021, authorizes non-home rule municipalities to impose of an annual gaming terminal fee of up to \$250.00 per terminal; and

WHEREAS, the Video Gaming Act (230 ILCS 40/1 *et seq.*) authorizes a licensed video gaming establishment to have up to six (6) video gaming terminals in the establishment; and

WHEREAS, the President and Board of Trustees of the Village desire to amend Section 110.11(B) of the Lombard Village Code to increase the Village’s annual gaming terminal fee to \$250.00 per terminal and permit up to six (6) video gaming terminals in a licensed video gaming establishment, and find such code amendments to be in the best interests of the Village; and

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

SECTION 1: Each whereas paragraph set forth above is incorporated by reference into this Section 1.

SECTION 2: Title XI, Chapter 110, Article I, Section 110.11, Subsection (B) of the Lombard Village Code is hereby amended to increase the annual fee per video gaming terminal from “\$25.00” to “\$250.00,” and to add a sentence to the end of said Subsection (B) to read as follows:

“The fee due under this Section shall be shared equally between the terminal operator and the applicable licensed establishment. It shall be the responsibility of the applicable licensed establishment to collect the portion of the fee to be paid by the terminal operator and submit to the Village the \$250.00 fee per video gaming terminal operated in the establishment.”

SECTION 3: Title XI, Chapter 112, Article II, Section 112.18, Subsection (D)(4), is hereby amended to read in its entirety as follows:

"As required by the Illinois Video Gaming Act, the total number of video gaming terminals located in the establishment shall not exceed six (6)."

SECTION 4: All ordinances, or parts of ordinances, in conflict with the provisions of this Ordinance, to the extent of such conflict, are repealed.

SECTION 5: Except as to the Code provisions set forth above in this Ordinance, all chapters and sections of the Village Code of the Village of Lombard, as amended, shall remain in full force and effect.

SECTION 6: To the extent necessary, all table of contents, indexes, headings and internal references or cross-references to sections contained in the Lombard Village Code, as amended, that have been deleted or amended by the Code Amendments set forth above, shall be amended by the Village's codifier so as to be consistent with the Code Amendments of this Ordinance.

SECTION 7: This Ordinance shall be in full force and effect from and after its adoption, approval, and publication in pamphlet form as provided by law.

Passed on first reading this ____ day of _____, 2022.

First reading waived by action of the Board of Trustees this __ day of _____, 2022.

Passed on second reading this __ day of _____, 2022, pursuant to a roll call vote as follows:

AYES: _____
NAYS: _____
ABSTAIN: _____
ABSENT: _____

APPROVED by me this ____ day of _____, 2022.

Keith T. Giagnorio, Village President

ATTEST:

Elizabeth Brezinski, Village Clerk