

ORDINANCE NO. 8296

AN ORDINANCE TO AUTHORIZE VIDEO GAMING TERMINALS IN THE CITY OF GRANITE CITY

WHEREAS, Granite City is a home rule unit pursuant Article 7, Section 6, of the Illinois State Constitution of 1970; and

WHEREAS, in 230 ILCS 40/5 et seq., the State of Illinois expressly authorized licensure of qualified establishments to host up to five video gaming terminals, per the Illinois Video Gaming Act, 230 ILCS 40/5 et seq., as amended August 26, 2011; and

WHEREAS, video gaming terminals are generally limited by state statute to establishments possessing a valid liquor license issued by the Illinois Liquor Control Commission, authorizing consumption of alcohol on the premises, per 230 ILCS 40/55; and

WHEREAS, the Granite City City Council hereby finds that there exists demand for video gaming terminals among the residents of Granite City, Illinois; and

WHEREAS, the Granite City City Council hereby finds that operation of video gaming terminals shall be limited to not-for-profit fraternal establishments, not-for-profit veterans establishments, and taverns, which possess a class A liquor license authorizing consumption of alcohol on the premises, and whose primary business is the sale of alcohol for consumption on the premises, not for package retail sale; and

WHEREAS, the City of Granite City finds that the State of Illinois expressly authorizes the taxation of income provided from video gaming terminals, and authorizes fees imposed by local governments for the placement of those video gaming terminals in licensed establishments, per 230 ILCS 40/60, et seq.

WHEREAS, the Granite City City Council finds that there is no constitutional right for the businesses and residents of the City of Granite City to sell alcoholic liquor, and no corresponding right to own or operate an establishment licensed to host video gaming terminals, as the Illinois Video Gaming Act limits video gaming terminals to establishments licensed to sell alcoholic liquor.

Now, therefore, be it ordained by the City Council of the City of Granite City, Illinois, as follows:

1.) There is hereby established in the Granite City Municipal Code the following new section

5.04.250.

5.04.250. Video Gaming Licenses

A.) For purposes of this Article 5 of the Granite City Municipal Code, the following definitions apply.

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

2.) "Terminal Operator" - a terminal operator is an individual, partnership, corporation, or limited liability company, licensed to own, service, and maintain video gaming terminals for placement in licensed establishments, licensed fraternal establishments, or licensed veterans establishments.

3.) "Licensed Establishment" - a licensed establishment is a licensed retail establishment where alcoholic liquor is drawn, poured, mixed or otherwise served for consumption on the premises, such as a licensed tavern. A retail establishment that sells alcoholic liquor or other alcoholic beverages, where the majority of the alcoholic liquor or beverages sold are not consumed on the premises, is not a licensed establishment.

4.) "Licensed Fraternal Establishment" - a licensed fraternal establishment is a location where a fraternal organization that derives its charter from its national parent organization regularly meets and that is a not-for-profit organization recognized as such by the State of Illinois and the Internal Revenue Service, under section 501(c)(8), (10),

or (19), or the equivalent of those sections in the Internal Revenue Code, as now or as hereafter amended.

5.) "Licensed Veterans Establishment" - a licensed veterans establishment is a location where a qualified Veterans organization that holds a charter from its nation parent organization regularly meets, and is a not-for-profit organization so recognized as such by the State of Illinois and the Internal Revenue Service, under section 501(c)(8), (10), or (19), or the equivalent of those sections in the Internal Revenue Code, as now or as hereafter amended.

B.) It is a violation of this section, and prohibited by this Ordinance, to authorize, permit, maintain, or play, at a video gaming terminal, except where a video gaming terminal and the location, have a valid and current annual license issued by the City of Granite City, and are otherwise compliant with Illinois Gaming Board regulations, and compliant with 230 ILCS 40/5 et seq.

C.) Video Gaming Licenses-licenses to operate a licensed video gaming location are limited to qualified licensed establishments, licensed fraternal establishments, and licensed veterans establishments. Further requirements to qualify for or renew an annual license for a licensed video gaming location, include but are not limited to each of the following:

- 1.) Timely payment of any and all debts or claims due to the City of Granite City, including but not limited to a \$25.00 annual license fee per video gaming terminal;
- 2.) Compliance with all requirements of City Ordinance and State law, including but not limited to the Video Gaming Act, 230 ILCS 40/5, et seq., as now and as hereafter amended;
- 3.) Qualification for and possession of a class A license for the sale of alcoholic liquor at that location, as codified at 5.04.050(A) of the Granite City Municipal Code, as now, and as hereafter amended.

D.) A person may not own, maintain, or place a video gaming terminal, in a licensed establishment or otherwise, unless he or she possess valid and current annual terminal operator's licenses, issued by the State of Illinois and issued by the City of Granite City. Requirements for qualifications to obtain an annual terminal operator's license from the City of Granite City include the following:

- 1.) Timely payment to the City of Granite City of any and all debts or claims due to the City of Granite City, including but not limited to a \$2,000.00 annual license fee per terminal operator per location;
- 2.) Compliance with all requirements of City Ordinance and State law, including but not limited to the Illinois Video Gaming Act, 230 ILCS 40/5, as now and as hereafter amended;

E.) Location Restrictions. No licensed establishment, licensed fraternal establishment, or licensed veterans establishment, shall be located:

- 1.) within 100 feet of a school or a place of worship under the Religious Corporation Act, unless the school or place of worship moves to or is established within the restricted area after license issued to that specific licensed establishment, licensed fraternal establishment, or licensed veterans establishment, under the Granite City Municipal Code. For purposes of this subsection a "school" means an elementary or secondary public school, or elementary or secondary private school, registered with or recognized by the Illinois State Board of Education.
- 2.) No licensed establishment, licensed fraternal establishment, or licensed veterans establishment, shall be located within 200 feet of any portion of a public housing complex, public housing project, or public housing residence.

F.)

- 1.) The penalty provisions of Granite City Municipal Code Section 5.04.240 shall apply to violations of this section and each of its subsections.

2.) In addition, the Granite City Liquor Commissioner is authorized to suspend, revoke, or fine license holders who violate City Ordinance of the laws of the State of Illinois, under the procedures established in 5.02.190 through 5.02.210 of the Granite City Municipal Code.

3.) Revocation or suspension of a liquor license, video gaming location license, video gaming terminal license, and terminal operator's license, are authorized under this section.

G.) The Office of the Treasurer of the City of Granite City is authorized and directed to take all lawful steps necessary to report to and seek distributions from the Illinois State Local Government Video Gaming Distributive Fund, per 230 ILCS 40/60(b), as now or as hereafter amended. The Office of the Treasurer shall report no less often than annually to the Granite City City Council concerning distributions from that Fund. All such funds received from the Local Government Video Gaming Distributive Fund, and all license fees collected under this section, shall be applied to the pension funds of the Granite City Police Officers and Granite City Fire Fighters, established per 40 ILCS 5/4-101 and 5/3-101, as now or as hereafter amended.

2.) This Ordinance shall take effect July 1, 2012, and may be published in pamphlet form by the Office of the City Clerk.

3.) The provisions of this Ordinance shall be deemed severable. In the event any provision is deemed unenforceable, the remainder shall still be in effect.

PASSED this 19th day of JUNE, 2012.

APPROVED: Ed Hagnauer
Mayor Edward Hagnauer

ATTEST: Judy Whitaker
City Clerk, Judy Whitaker