



Founded in 1963

VIDEO GAMING LICENSE APPLICATION

Legal name of establishment: _____

Business Name of establishment: _____

Address of establishment where video gaming terminals are to be located:

Type of establishment _____

Floor Plan submitted: Yes: _____ **No.** _____

Amount of time the establishment has been in business under the ownership of the applicant at the video gaming location:

Business office address of establishment if different from address of establishment:

In the case of a corporation, limited liability company or trust, the name and address of an agent authorized and designated to accept service on behalf of the licensee:

Name: _____

Address: _____

Phone number for the establishment: _____

Email address for the establishment: _____

Name and address of every person owning more than a 5% share of the establishment: _____

Name, address, phone number and e-mail address of any terminal operator or distributor proposed to own, service or maintain video gaming terminals at the establishment:

Name: _____

Address: _____

Phone Number: _____

Email Address: _____

A copy of the establishment's State of Illinois video gaming license.

In the case of a corporation, limited liability company or partnership, a copy of the establishment's state certificate of good standing.

A statement as to the number of video gaming terminals which the establishment purposes to have on its premises (not to exceed six for all establishments);

A statement that the establishment is not in arrears in any tax, fee or bill due to the Village or State of Illinois.

A statement that the establishment agrees to abide by all state and federal laws and any local ordinance.

A statement that no manager or owner with more than 5% interest in the establishment has ever been convicted of a felony, a gambling offense or a crime of moral turpitude. In the event that an establishment cannot provide such statement, the establishment may apply for a certificate of rehabilitation from the Village Mayor indicating that the individual who would disqualify the establishment from obtaining the video gaming license has been rehabilitated and is no longer a threat to violate the law. The Village Mayor may consider the nature of the offense, the length of time since the offense, the length of time since release from custody and other factors to determine if the individual has been rehabilitated such that he or she is no longer likely to commit another offense.

If the application is for a new establishment based on the business model of another existing location, information regarding the existing business location must be provided, including the type of business, the gross receipts as compared to any video gaming revenue for the prior 12- month period, proof of the length of time the existing business has been operational and proof of ownership verifying the applicant's ownership rights.

For renewal applications, a report or reports showing its gross annual revenue for the previous calendar year by category of revenue generated and showing the percentage of gaming revenue payable to the establishment as compared to the total gross revenues of the establishment.

**AN ORDINANCE AMENDING CHAPTER 7 (BUSINESS CODE), BY ADDING
ARTICLE XI (VIDEO GAMING) TO THE CODE OF ORDINANCES OF THE
VILLAGE OF PONTOON BEACH, ILLINOIS**

WHEREAS, the Village of Pontoon Beach, Illinois has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs; and

WHEREAS, the Village deems it to be in the best interests of the citizens of the Village and the public in general that said Article regarding Video Gaming be adopted as provided herein; and

WHEREAS, the Village deems it to be an appropriate exercise of the municipal corporate authority of the Village, including, but not necessarily limited to, the power to promote and protect the general welfare of the Village.

NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF PONTOON BEACH, ILLINOIS, AS FOLLOWS:

SECTION 1: The facts and statements set forth in the Preamble of the Ordinance are found to be true and correct and are hereby adopted as part of this Ordinance.

SECTION 2: The Village of Pontoon Beach Business Code is hereby amended as set forth in the remaining sections of this Ordinance.

SECTION 3: Chapter 7, Business Code, is amended by adding Article XI to read as in the attached Exhibit A:

SECTION 4: That the headings of the articles, sections, paragraphs and subparagraphs of this Ordinance are inserted solely for the convenience of reference and form no substantive part of this Ordinance nor should they be used in any interpretation or construction of any substantive provision of this ordinance.

SECTION 5: That this ordinance shall be published in accordance with all applicable state and local laws. Copies of this ordinance shall be made available to the public upon request at the Village Clerk's office.

SECTION 6: That if any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7: That this ordinance shall be in full force and effect after its passage.

PASSED this 13th day of February, 2024.

Name	Voting in Favor	Voting Against	Not Voting
Steve Freese - Trustee	X		
Terry Kreher - Trustee	X		
Linda McFarland - Trustee	X		
Kelly Rogers - Trustee	X		
Christie Vivod- Trustee	X		
Bret Ware - Trustee	X		
Mike Pagano - Mayor			

APPROVED this 13th day of February, 2024.


MIKE PAGANO, PRESIDENT
Village of Pontoon Beach, Illinois

ATTEST:


HARLON D. KEEL, VILLAGE CLERK
Village of Pontoon Beach, Illinois



CHAPTER 7

BUSINESS CODE

ARTICLE XI – VIDEO GAMING

7-11-1 DEFINITION.

Board: the Illinois Gaming Board.

Licensed Establishment: any business licensed by the State of Illinois to have or operate a video gaming device in the Village, including any licensed fraternal establishment, licensed veterans' establishment, licensed truck stop establishment and licensed large truck stop establishment as those terms are defined in the VGA, 230 ILCS 40/5.

Licensed Fraternal Establishment: the location where a qualified fraternal organization that derives its charter from a national fraternal organization regularly meets.

Licensed Truck Stop Establishment: a facility (i) that is at least a three-acre facility with a convenience store; (ii) with separate diesel islands for fueling commercial motor vehicles; (iii) that sells at retail more than 10,000 gallons of diesel or biodiesel fuel per month; and (iv) with parking spaces for commercial motor vehicles. The requirement of item (iii) of this paragraph may be met by showing that estimated future sales or past sales average at least 10,000 gallons per month.

Licensed Large Truck Stop Establishment: a facility located within three road miles from a freeway interchange, as measured in accordance with the Department of Transportation's rules regarding the criteria for the installation of business signs: (i) that is at least a three-acre facility with a convenience store; (ii) with separate diesel islands for fueling commercial motor vehicles; (iii) that sells at retail more than 50,000 gallons of diesel or biodiesel fuel per month; and (iv) with parking spaces for commercial motor vehicles. The requirement of item (iii) of this definition may be met by showing that estimated future sales or past sales average at least 50,000 gallons per month.

Video Gaming Terminal: any electronic video game machine that, upon insertion of cash, is available to play or simulate the play of a video game, including but not limited to, video poker, line up and blackjack, as authorized by the Board utilizing a video display and microprocessors in which the player may receive free games or credits that can be redeemed for cash. The term does not include a machine that directly dispenses coins, cash or tokens or is for amusement purposes only.

7-11-2 LICENSE.

A. No person, either as owner, lessee, manager, officer, or agent, or in any other capacity, shall operate or permit to be operated any video gaming terminal, as defined herein, at any premises within the Village without first having obtained a video gaming license from the Village. The license provided for in this Article shall permit a licensee to operate video gaming terminals at the specified establishment.

B. The licensed establishment shall obtain an annual license issued by the Village Clerk. No license shall be issued to, or maintained by, an establishment that does not have a valid Class A or C liquor license issued by the Village.

C. No applicant, including any person, either as owner, lessee, manager, officer, or agent, shall be eligible for a video gaming license from the Village, nor shall an existing license holder be entitled to maintain a video gaming license, unless each of the following requirements are met and continue to be met:

- 1) The applicant holds the appropriate certificate or license from the State of Illinois permitting video gaming and is in good standing with same;
- 2) The establishment has been in operation at the location for at least twelve (12) months at the time the application is filed;
- 3) The applicant is not in arrears in any tax, fee or bill due to the Village or State of Illinois;
- 4) The applicant has completed and complies with all the application requirements set forth in Section 7-11-3 of this Article and is not disqualified due to a felony, gambling offense, or crime of moral turpitude; and
- 5) The establishment is located outside of a residential zoning district.

D. Except for large truck stop establishments, to be eligible to have video gaming at an establishment, the net terminal income generated at the establishment from video gaming cannot exceed 50% of the total gross revenues generated.

E. A new establishment must meet the requirements of Section 7-11-2 C(2) of the licensing requirements unless the applicant is also a current majority owner of an existing business at another location, that has been in operation for at least twenty-four (24) months, and the business model for the new establishment is proposed to replicate the existing business location and the applicant can provide satisfactory evidence detailing that in the last 12-month period video gaming net terminal income at the other business location did not exceed 50% of the gross revenues.

F. The Mayor shall be the approving authority for all licenses. In the event a licensee or prospective licensee disagrees with any action taken by the Mayor, an appeal may be made

directly to the Village Board at its next regularly scheduled meeting after written notice of the action from which an appeal is made.

7-11-3 LICENSE APPLICATION REQUIREMENTS.

The license applicant shall provide the following information to the Village on a form provided by the Village:

- A. The legal name of the establishment;
- B. The business name of the establishment;
- C. The address of the establishment where the video gaming terminals are to be located;
- D. The type of establishment, including whether it is classified as a veteran, fraternal, regular truck stop, large truck stop or liquor establishment and supporting documentation demonstrating the classification;
- E. A floor plan, drawn to scale using a computer, detailing the overall layout of the establishment, including the location and count of dining seating, the location and count of video gaming terminals and seating for said terminals, and other significant features of the establishment, including exit locations, restrooms, and other equipment. A high-resolution electronic copy of the floor plan as well as a paper printed copy (no smaller than 11 inches by 17 inches) shall be submitted at the time of application; hand-drawn floor plans and floor plans not including a scale will not be accepted;
- F. The amount of time the establishment has been in business under the ownership of the applicant at the location where video gaming is proposed to take place;
- G. The business office address of the establishment if different from the address of the establishment;
- H. In the case of a corporation, limited liability company or trust, the name and address of an agent authorized and designated to accept service on behalf of the licensee;
- I. A phone number for the establishment;
- J. An e-mail address for the establishment;
- K. The name and address of every person owning more than a 5% share of the establishment;
- L. The name, address, phone number and e-mail address of any terminal operator or distributor proposed to own, service or maintain video gaming terminals at the establishment;

M. A copy of the establishment's State of Illinois video gaming license;

N. In the case of a corporation, limited liability company or partnership, a copy of the establishment's state certificate of good standing;

O. A statement as to the number of video gaming terminals which the establishment proposes to have on its premises (not to exceed six for all establishments);

P. A statement that the establishment is not in arrears in any tax, fee or bill due to the Village or State of Illinois;

Q. A statement that the establishment agrees to abide by all state and federal laws and any local ordinance;

R. A statement that no manager or owner with more than 5% interest in the establishment has ever been convicted of a felony, a gambling offense or a crime of moral turpitude. In the event that an establishment cannot provide such statement, the establishment may apply for a certificate of rehabilitation from the Village Mayor indicating that the individual who would disqualify the establishment from obtaining the video gaming license has been rehabilitated and is no longer a threat to violate the law. The Village Mayor may consider the nature of the offense, the length of time since the offense, the length of time since release from custody and other factors to determine if the individual has been rehabilitated such that he or she is no longer likely to commit another offense;

S. If the application is for a new establishment based on the business model of another existing location, information regarding the existing business location must be provided, including the type of business, the gross receipts as compared to any video gaming revenue for the prior 12-month period, proof of the length of time the existing business has been operational and proof of ownership verifying the applicant's ownership rights;

T. For renewal applications, a report or reports showing its gross annual revenue for the previous calendar year by category of revenue generated and showing the percentage of gaming revenue payable to the establishment as compared to the total gross revenues of the establishment.

7-11-4 APPLICATION FILING; RENEWALS.

A. Applications shall be processed by the Village Clerk on a first come, first served basis. Every application shall be date and time stamped upon filing. An application received in the mail shall be considered filed on the date and time it is opened by the Village Clerk's department.

B. Every video gaming license holder shall be required to file a renewal application, which may contain the same or similar information as set forth in Section 7-11-3. Renewal applications shall be due on or before May 1 of the year the applicant seeks renewal unless that

day falls on a holiday, in which case the application may be received by the Village Clerk on the following business day.

C. Except as set forth in Section 7-11-4(A), existing video gaming license holders shall be given priority over new applications in the event the total number of video gaming licenses reach the limit set forth in Section 7-11-8. In the event an existing video gaming license holder fails to file its renewal application in a timely manner as prescribed in Section 7-11-4(B), such untimely applications will be processed on a first come, first served basis.

D. In the event an existing video gaming license holder fails to file its timely renewal application and a maximum number of licensed establishments have been granted pursuant to this Chapter, no exception shall be made to exceed the number of licensed establishments set forth herein.

7-11-5 LICENSE FEES.

A. The fee for operation of a video gaming terminal shall be \$250.00 per terminal annually. Said fees are not subject to proration or refund and are due prior to issuance of the license.

D. All licenses required by this division shall be prominently displayed next to the video gaming terminal.

7-11-6 LICENSE REVOCATION OR SUSPENSION.

A. The Mayor, at any time, may notify any licensee under this division within five (5) business days of any charge of a violation of any of the provisions of this Article in connection with the operation of any video gaming terminal. After a hearing presided over by the Mayor, or qualified hearing officer appointed by the Mayor, the Mayor may order the revocation of the license upon a finding that the violation has occurred, and the license shall thereupon be terminated. The licensee may appeal the revocation as prescribed in Section 7-11-2(F).

B. In the event of the revocation or denial of any license or registration under this Section, such person shall not be issued any license provided for in this Article for three (3) calendar years following the revocation or any appeal thereof.

7-11-7 LIMITATION ON NUMBER OF VIDEO GAMING LICENSES.

There shall be no more than fourteen (14) establishments licensed to operate video gaming terminals in the Village at any given time.

7-11-8 LIMITATION ON NUMBER OF VIDEO GAMING TERMINALS ON PREMISES.

A. There shall be no more than five (5) video gaming terminals allowed and permits issued therefore under this Article for each licensee at any one location, other than a licensed

large truck stop establishment, which shall be no more than six (6) gaming terminals. If An establishment has more than five (5) video gaming terminals and a truck stop has more than six (6) gaming terminals at the time of the effective date of this Ordinance, they can continue to operate with the current number of video gaming terminals until the establishment fails to exist or changes ownership.

7-11-9 PROHIBITION.

A. Except as otherwise excepted in this Article, it shall be unlawful for any person to gamble within the corporate limits of the Village, or for any person or entity which owns, occupies or controls an establishment within the Village to knowingly permit others to gamble on the premises.

7-11-10 EXCEPTIONS.

A. Nothing in this Article shall be deemed to prohibit or make unlawful the following activities or forms of gambling: the keeping, possession, ownership, use or playing of a video gaming terminal in a licensed establishment, licensed truck stop establishment, licensed fraternal establishment or licensed veterans' establishment, which is licensed by the Board to conduct or allow such specific activities under the VGA, 230 ILCS 40/1, *et seq.*

7-11-11 LICENSED ESTABLISHMENTS.

A. Any business, liquor, or food licensee within the corporate limits of the Village that allows gambling to occur on premises in violation of this Section shall be subject to having his/her/its license immediately revoked for a period of sixty (60) days. Any business, liquor, or food licensee within the corporate limits of the Village that allows gambling to occur on premises in violation of this Article a second time shall have his/her/its license permanently revoked and, thereafter, barred from obtaining any business, liquor, or food license within the Village.

7-11-12 SEIZURE OF UNAUTHORIZED GAMBLING DEVICES AND GAMBLING FUNDS.

A. Any gambling device which is not authorized by this Article shall be subject to immediate seizure and confiscation by the Village. Any money or other thing of value intrinsically related to acts of gambling not authorized by this Article shall be seized and forfeited as contraband. Disposition of such gambling devices and funds seized or confiscated shall be made in accordance with the law.