

CITY OF BATAVIA

TO: Daniel Chanzit, Chairman, Government Services
FROM: Laura Newman, City Administrator
DATE: November 15, 2019
RE: ORD 19-77 AMENDING TITLE 3, CHAPTER 26 OF THE CITY CODE VIDEO GAMING DEVICES

Chapter 3, Title 26 of the City Code regulates Video Gaming Devices in the City of Batavia. 3-26-2 (B) states:

“B. No property owner or person in possession of property in the City shall allow a video gaming terminal to be placed or maintained on the premises unless the premises qualifies as a licensed video gaming location as defined in section 25 of the Video Gaming Act, including liquor establishments having a Class A or D license for consumption on the premises, licensed veterans establishments, licensed truck stop establishments, or licensed fraternal establishments and:...”

Approval of Ordinance 19-77 would allow the owner of a business holding a Class E-3 (bowling/amusement center) liquor license to have video gaming terminals on their premises, so long as all other requirements of the City of Batavia Video Gaming Code have also been met.

Pursuant to recent amendments to our local zoning code, video gaming is a conditional use for which any new, or expansion of an existing license requires approval by City Council. Therefore, even if Council votes to amend the Video Gaming ordinance to include E-3 liquor license holders, any business owner desiring to place video gaming terminals on their property would need to apply for approval of this conditional use.

There are benefits and potential detriments to allowing this requested expansion. Allowing it provides the owner of a bowling/amusement center the opportunity to earn additional income and to attract additional patrons to the business. The City also receives 6% share of the earnings from the additional machines. Of concern is the substantial presence of minors in such an establishment. However, the same could be said of restaurants geared toward children who hold Class D liquor licenses and are allowed under our current code to apply for a video gaming license. Therefore, so long as all other provisions of the code are met – in particular placing the machines in an area not accessible to patrons under the age of 21 – then this does not seem to be a relevant distinction that would preclude allowing E-3 license holders from also having video gaming.

Of course, it may be that Council prefers there to be no further expansion of video gaming to additional businesses of any type. Otherwise, Staff recommends that City Council allows expansion of Title 3, Chapter 26 Video Gaming Code to allow Class E-3 liquor license holders to be allowed to have video gaming terminals on their premises, so long as all other requirements of the City of Batavia Video Gaming ordinance have also been met.

In addition to allowing a new type of establishment to have video gaming terminals, Ordinance 19-77 also contains an increase to the annual site fee paid by the operator of the video gaming terminals from \$1,000

per year to \$1,500 per year. Such an increase is justified by the substantial cost to the city for oversight of video gaming in the community.

Staff recommends approval of Ordinance 19-77 AMENDING TITLE 3, CHAPTER 26 OF THE CITY CODE VIDEO GAMING DEVICES.

Cc: Dan Eul, Chief of Police
Scott Buening, Director of Community Development
Jeff Schielke, Mayor

**CITY OF BATAVIA, ILLINOIS
ORDINANCE 19-77
AMENDING TITLE 3, CHAPTER 26 OF THE CITY CODE
VIDEO GAMING DEVICES**

**ADOPTED BY THE MAYOR AND
CITY COUNCIL THIS ____ DAY OF
_____, 2019**

Published in pamphlet
form by authority of the
Mayor and City Council
of the City of Batavia,
Kane & DuPage Counties,
Illinois,

Prepared by:
City of Batavia
100 N. Island Ave.
Batavia, IL 60510

**CITY OF BATAVIA, ILLINOIS
ORDINANCE 19-77**

**AMENDING TITLE 3, CHAPTER 26 OF THE CITY CODE
VIDEO GAMING DEVICES**

WHEREAS, the City of Batavia’s Municipal Code currently allows certain types of entities located within the City to obtain a license to have video gaming devices on their premises, but not businesses that hold an E-3 (Bowling/Amusement) liquor license; and,

WHEREAS, the City has considered and supports allowing the expansion of the type of entities allowed to apply for a license to have video gaming on their premises to include businesses that hold an E-3 (Bowling/Amusement) liquor license; and,

WHEREAS, the City has determined that its cost of allowing video gaming terminals is substantial and warrants an increase of the annual fee paid by operators of said terminals from \$1,000 per year to \$1,500 per year.

THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Batavia, Kane and DuPage Counties, Illinois, as follows:

Section 1. That Title 2 of the Batavia City Code is hereby amended instanter with the following words, phrases and numbers:

...

3-26-2: LICENSE REQUIRED; LIMITATIONS:

...

B. No property owner or person in possession of property in the City shall allow a video gaming terminal to be placed or maintained on the premises unless the premises qualifies as a licensed video gaming location as defined in section 25 of the Video Gaming Act, including liquor establishments having a Class A, D or E-3 license for consumption on the premises, licensed veterans establishments, licensed truck stop establishments, or licensed fraternal establishments and:...

4. The gaming terminal operator has paid the annual location permit fee of one thousand dollars (\$1,500) for the licensed video gaming location.

Section 2. Should any provision of this Ordinance be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and affect the same as if the invalid provision had not been a part of this Ordinance.

Section 3. This Ordinance shall be in full force and effect after passage and publication pursuant to law. Publication date: December 2, 2019. Effective date: December 2, 2019.

CITY OF BATAVIA ORDINANCE 19-76

PRESENTED to the City Council of the City of Batavia, Illinois this 2nd day of December 2019.

PASSED by the City Council of the City of Batavia, Illinois, this 2nd day of December 2019.

APPROVED by me as mayor of said City of Batavia, Illinois, this 2nd day of December 2019.

Jeffery D. Schielke, Mayor

Ward	Aldermen	Ayes	Nays	Absent	Abstain	Aldermen	Ayes	Nays	Absent	Abstain
1	O'Brien					Salvati				
2	Callahan					Wolff				
3	Meitzler					Chanzit				
4	Malay					Knopp				
5	Uher					Beck				
6	Cerone					Russotto				
7	McFadden					Miller				
Mayor Schielke										
VOTE:		Ayes	Nays	Absent	Abstentions					
Total holding office:		Mayor and 14 aldermen								

ATTEST:

Ellen Posledni, City Clerk