



CITY OF WASHINGTON, ILLINOIS

Committee of the Whole Agenda Communication

Meeting Date: November 9, 2020

Prepared By: Chief Michael D. McCoy and Deputy Chief Jeff Stevens

Agenda Item: Discussion Regarding Reducing Waiting Period for Gaming Licenses

Explanation:

In August, 2017, Council enacting limits on legal gambling in the City, including, among other requirements, a waiting period of 2 years before a new business licensed with a Class A (bar) or Class E (club) could receive a license to operate gaming terminals. This limitation was intended to keep gaming in an appropriate business and social context as a part of an overall entertainment and social package. The appropriateness of that context was based in the city's history of licensing gaming, specifically that the presence of a virtual casino is not consistent with the character and aims of the City of Washington.

This year, 2020, presents a significantly changed business and social condition compared to 2017. Discussions with the developer of a proposed licensed establishment included this waiting period, as well as the purpose it serves and its furtherance of an appropriate social and business environment. Council is asked to consider whether reduction of this waiting period from 2 years to 1 year would serve to maintain or enhance the City and whether any other limitation or condition is required.

Fiscal Impact:

Varies. In the event an establishment is licensed for gaming 1 year sooner, the City would realize a one-time gain of licensing revenue between \$1050 and \$6,800 as well as a share of state tax on the proceeds from the machine. Licensing revenue is dependent on the number of licensed terminals. In calendar 2019, the City's portion of state tax was an average of \$1,831.63 per terminal, although this varied widely by location. A location may have up to 6 terminals.

Action Requested:

Discussion and a communicated consensus regarding any change to the new licensed establishment waiting period for gaming.