



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

- Meeting Date:** March 17, 2025
- Prepared By:** Dennis Carr, City Engineer, Jeff Stevens, Deputy Police Chief and Valeri Brod, City Clerk
- Agenda Item:** Ordinance Amendment Allowing Increase in Video Gaming Establishments and Terminals
- Explanation:** The City's current limitations on gaming establishments and terminals were established by ordinance after previous discussion and reflection by Council. Historically, the City has sought to balance business development with concerns by restricting gaming to locations and number of permitted terminals.
- The City has been approached by two establishments requesting further consideration.
- *The Peak's* business plan was presented from the start as including a gaming establishment. Following discussions regarding this specific business, the ordinance's waiting period for terminal installation was adjusted from two years to one year, demonstrating a prior instance of ordinance modification.
 - *Blue Ox's* business plan was presented from the start as including a gaming establishment and purchased their location from the previous business who owned and operated under the same business plan structure, contingent on allowing for the waiver of the waiting period requirements set forth by the City of Washington.
- City of Washington ordinance (Article II, Video Gaming, Section 8-48) currently limits the total number of video gaming terminals to 57 and the total number of gaming establishments to 11. The Peak applied as a new establishment requesting to operate six terminals, starting May 1, 2025. Blue Ox applied for gaming, requesting to operate six terminals as soon as all state and local requirements are met. They have estimated their compliance to be fully met no later than May 1, 2025.
- At the March 10, 2025 Committee of the Whole meeting, City Council provided direction to grant both The Peak's and Blue Ox's requests and allow all licensed establishments to operate the maximum allowable terminals (6) each. This would require an ordinance change to allow 12 licensed establishments and 72 total permitted terminals to operate at one time in the City of Washington.
- Fiscal Impact:** Each permitted terminal sticker sold generates a fee of \$600.00 (\$300.00 provided by the Terminal Operator and \$300.00 provided by the licensed establishment).
- Each establishment granted a license generates a fee of \$1,000.00 (\$500.00 provided by the Terminal Operator and \$500.00 provided by the licensed establishment).
- The City would also receive a small share of any revenue provided by each terminal, which we do not have the capacity to predict.

Action Requested: Consideration of the ordinance amendment increasing the number of available video gaming licenses and terminal stickers.

Addendum:

	Establishments	Current Stickers	Proposed Stickers
1	Becks	6	6
2	Bernardi's Restaurant, Inc.	3	6
3	Blue Ox (Gaming Applicant)	-	6
4	The Brickhouse	5	6
5	Christy's Place	6	6
6	Kep's Sports Bar, Inc.	6	6
7	Mariachi's Restaurant	3	6
8	Parish's Pub	6	6
9	Plaza Lanes	6	6
10	The Peak (New Gaming Applicant)	-	6
11	Walker Danforth Post No. 9016 VFW	6	6
12	W-Down Under	6	6
		53	72

Date	Synopsis
07/02/12	Permitting the limited use of video gaming terminals at particular liquor establishments (no more than 5 terminals per premise)
02/18/13	Restricting types of establishments eligible for video gaming
10/02/17	Further regulate video gaming; also limiting number of video gaming establishments to 9 and terminal permit stickers to 40
09/03/19	Increase number of video gaming terminals from 5 to 6 in any one licensed establishment and increase overall number of terminal stickers allowed from 40 to 46
06/01/20	Permitting truck stop establishments to obtain video gaming license and increasing number of establishments allowed to 10 and terminals to 54
01/19/21	Exempting previous gaming location from waiting periods for licensing
03/07/22	Cost of fees imposed provided equally by establishment and terminal operator
09/22/22	Adjusting number of video gaming establishments to 11 and number of terminal permit stickers to 57
01/17/23	Clarification on rules regarding applicable waiting period for gaming licensure of existing licensed establishment

ORDINANCE NO. _____

Synopsis: Adoption of this ordinance would adjust the number of video gaming terminal permit stickers to seventy-two (72) and the number of allowable licensed establishments to twelve (12) within the City of Washington.

AN ORDINANCE AMENDING CHAPTER 8 – AMUSEMENTS AND ENTERTAINMENT, ARTICLE II – VIDEO GAMING, SECTION 8-48(7) OF THE CITY OF WASHINGTON CODE OF ORDINANCES BY ALLOWING FOR 72 TOTAL LICENSED VIDEO GAMING TERMINAL PERMIT STICKERS and CHAPTER 8 – AMUSEMENTS AND ENTERTAINMENT, ARTICLE II – VIDEO GAMING, SECTION 8-48(6) OF THE CITY OF WASHINGTON CODE OF ORDINANCES BY ALLOWING FOR 12 TOTAL LICENSED VIDEO GAMING ESTABLISHMENTS.

WHEREAS, the City of Washington is a home rule government pursuant to the 1970 Illinois Constitution, Article VII, Section 6(a); and

WHEREAS, pursuant to its home rule power, the City of Washington may exercise any power and perform any function relating to its government and affairs including the power to regulate for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the State of Illinois passed the Video Gaming Act, 230 ILCS 40/1, *et seq.*, permitting the limited use of video gaming terminals at particular establishments within the State; and

WHEREAS, the City Council of the City of Washington has determined that adjusting the allowed number of licensed video gaming establishments and video gaming terminal permit stickers is in the best interest of the City and its citizens and therefore deems it necessary and appropriate to enact this ordinance pursuant to its home rule authority.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WASHINGTON:

Section 1. The foregoing recitals are incorporated herein as findings of the City Council.

Section 2. That Chapter 8, Article II, Section 8-48(7) of the Code of Ordinances of the City of Washington, Tazewell County, Illinois, be, and the same hereby is amended as follows:

“(7) *Maximum number of permit stickers available.* There shall be no more than ~~57~~ 72 video gaming terminal permit stickers in the city in force at any one time.”

Section 3. That Chapter 8, Article II, Section 8-48(6) of the Code of Ordinances of the City of Washington, Tazewell County, Illinois, be, and the same hereby is amended as follows:

“(6) *Maximum number of permitted video gaming establishments.* There shall be no more than ~~11~~ 12 licensed video gaming establishments in the city in force at any one time.”

Section 4. This Ordinance shall otherwise be in full force and effect from and after its passage and approval and publication as required by law.

Section 5. Any Section or provision of this Ordinance that is construed to be invalid or void shall not

affect the remaining sections or provisions, which shall remain in full force and effect thereafter.

Section 6: That all ordinances or parts thereof in conflict herewith are hereby expressly repealed.

PASSED AND APPROVED THIS _____ day of _____, 2025.

AYES: _____

NAYS: _____

MAYOR

ATTEST:

CITY CLERK