



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Text

File #: R2011-938, **Version:** 1

RESOLUTION

WHEREAS, as the Lottery enters its 36th year, it has contributed nearly \$15 billion to the State of Illinois over the years; and,

WHEREAS, a 2009 amendment to the Illinois Lottery Law directed the Illinois Department of Revenue, to procure a private manager to manage the day to day operations of the Illinois Lottery. The State will continue to conduct the Lottery as a State agency, and the manager will provide its services to the Lottery pursuant to a 10 year Private Management Agreement to be entered into with the Department; and,

WHEREAS, Northstar Lottery Group is a consortium comprised of GTECH, Scientific Games and Energy BBDO was deemed to have the necessary qualifications to serve as the Lottery's private manager. They are to provide integrated functions including lottery game design, supply of goods and services in support of the lottery, and advertising, among other things and according to the State of Illinois, Northstar was selected based on its superior business plan to provide more than \$4.8 billion in revenue to the state in the first five years alone; and,

WHEREAS, as the fourth largest revenue generator in the State, with sales of \$2.1 billion in Fiscal Year 2009, the Illinois Lottery contributed more than \$625 million to the State of Illinois Common School K-12 Public Education Fund; and,

WHEREAS, in 2010, nearly 33 million dollars were transferred to the Capital Projects Bill, funding roads, bridges, high speed rail, building schools, other transportation needs, environmental protection and increasing broadband access; and,

WHEREAS, with operating expenses of less than 3 percent of sales, the Illinois Lottery is one of the most cost efficient and profitable lotteries in the world; and,

WHEREAS, Northstar's business plan anticipates an annual growth rate of 10.6 percent over the next five years. The consortium's proposal guarantees a minimum profit level for each of the first five years of the agreement. This increase in proceeds will enable the State to maintain its commitment to education, while funding capital projects that will create jobs for thousands of Illinois workers; now therefore, ,x

BE IT RESOLVED, that the Committee on Economic, Capital and Technology Development to hold hearing(s) inviting Northstar's Board of Managers to discuss their business plan and their proposed partnership opportunities for each Ward, by localizing retail association relationship building and establishing a working partnership to work on growth initiatives.