



City of Chicago



O2021-3243

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 7/21/2021

Sponsor(s): Burnett (27)
Hopkins (2)
Mitts (37)
Sawyer (6)
Tabares (23)
O'Shea (19)

Type: Ordinance

Title: Amendment of Municipal Code Titles 4, 8 and 17 by
modifying various sections and adding new Article VII to
Chapter 4-156 to regulate sports wagering

Committee(s) Assignment: Re-Referred.
Joint Committee: Zoning, Landmarks and Building
Standards; License and Consumer Protection



CITY OF CHICAGO

★

MICHELLE A. HARRIS, ALDERMAN, 8TH WARD
CHAIRMAN-COMMITTEE ON COMMITTEES AND RULES
CITY HALL, RM-200, OFFICE #4 • 121 NORTH LASALLE STREET, CHICAGO IL 60602
PHONE: 312-744-3075 • FAX: 312-744-5007

**City Council Meeting
September 14, 2021**

To the President and Members of the City Council:

Your Committee on Committees and Rules, considered all the following Report, Ordinance and Resolutions which met September 10th and September 13th, 2021:

1. The approval of the July, 2021 Monthly Rule 45 Report for the Committee on Committees and Rules

Your Committee on Committee and Rules, recommends "do pass" of the following items:

2. (SR2021-523) A substitute resolution amending City Council Rules of Order and Procedure by modifying Rules 39E, 59, 59E and 58
3. (R2021-985) A resolution pursuant to Rule 36 of the City Council Rules Order Procedure

Recommendation to refer proposed item 4 to the Joint Committee on License and Consumer Protection and Zoning, Landmarks and Building Standards

4. (O2021-3243) An ordinance amending Municipal Code Titles 4,8 and 17 by modifying various sections and adding new Article VII to Chapter 4-156 to regulate sports wagering

This recommendation of each item was concurred in by the Committee on Committees and Rules.

Sincerely,

**Michelle Harris, Chairman
Committee on Committees and
Rules**

Jt. Zoning License

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows,

4-5-010 Establishment of license fees.

(Omitted text is unaffected by this ordinance)

(1) Limited Business License (4-4) \$250.00

(Omitted text is unaffected by this ordinance)

(41) Mobile Merchants \$250.00

(42) Sports Wagering (Article VII of Chapter 4-156)

For a primary sports license:

Initial year \$50,000.00

Per year (after initial year) \$25,000.00

For a secondary sports license¹:

Initial year \$10,000.00

Per year (after initial year) \$5,000.00

SECTION 2. Section 4-156-020 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows,

4-156-020 Tax imposed.

A. Except as otherwise provided by this ~~article~~ Article, an amusement tax is imposed upon the patrons of every amusement within the City. The rate of the tax shall be equal to nine percent of the admission fees or other charges paid for the privilege to enter, to witness, to view or to participate in such amusement, unless subsection J of this section provides for a lower rate.

B. The tax imposed by subsection A shall not apply to the following persons or privileges:

(1) patrons of automatic amusement machines as defined in Article II of this chapter ~~Chapter~~, or

¹**Please Note:** This is a separate or "add on" license. It covers the activity of a master sports wagering licensee contracting with a separate entity to conduct remote or in person sports wagering on its behalf.

(1.5) patrons of master sports wagering licensees as defined in Article VII of this Chapter, to the extent that the charges paid by such patrons are part of the adjusted gross sports wagering receipts as defined in the Sports Wagering Act, 230 ILCS 45/25-1 et seq., or

(2) the privilege of witnessing or participating in any stock show or business show that is not open to the general public, or

(Omitted text is unaffected by this ordinance)

SECTION 3. Section 4-156-450 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows,

4-156-450 Gambling.

It is unlawful for any licensee to conduct or permit any person to conduct any raffle, lottery or chance distribution of money, or article of value, or any gift enterprise or any form of gambling upon the licensed premises; provided, however, that nothing in this Section shall be construed to prohibit any conduct authorized by the Sports Wagering Act, 230 ILCS 45/25-1 et seq.

SECTION 4. Chapter 4-156 of the Municipal Code of Chicago is hereby amended by adding a new Article VII, as follows:

ARTICLE VII. SPORTS WAGERING

4-156-960 Definitions.

“Master sports wagering licensee” means a person that has, or that is required to have, a master sports wagering license under the Sports Wagering Act, 230 ILCS 45/25-1 et seq.

“Management services provider licensee” means a person that has, or that is required to have, a management services provider license under the Sports Wagering Act, and that has contracted with a master sports wagering licensee to conduct sports wagering operations on its behalf.

“Primary sports license” means the City license that a master sports wagering licensee is required to hold.

“Secondary sports license” means the City license that a management services provider licensee is required to hold.

“Sports facility” means each of the following entertainment and spectator sport large venues as named currently or as may be re-named in the future: Wrigley Field, Guaranteed Rate Field, Soldier Field, United Center and Wintrust Arena, so long as each such venue also qualifies as a “sports facility” as defined under the Sports Wagering Act.

“Sports Wagering Act” means the Sports Wagering Act, 230 ILCS 45/25-1 et seq.

The terms "designee," "organization licensee," "owners licensee," "sports wagering," and "wager" have the same meanings assigned to such terms in the Sports Wagering Act.

4-156-965 License required.

It shall be unlawful for any person to conduct sports wagering at a physical location in the City of Chicago, including related mobile sports wagering permitted under the Sports Wagering Act as a result of such person being physically located in the City of Chicago, unless such person: (1) is an owners licensee, organization licensee, sports facility or its designee, or a management services provider of such person, and (2) holds all necessary licenses under the Sports Wagering Act, and (3) holds valid City licenses including a primary sports license and, if applicable, necessary secondary sports licenses.

4-156-970 Legal Duties.

- (a) Each licensee engaged in the business of sports wagering shall:
 - (1) comply with the Sports Wagering Act, 230 ILCS 45/25-1, *et seq.*
 - (2) pay the licensee fee as set forth in Section 4-5-010 of this Code.
 - (3) upon request of the Commissioner of Business Affairs and Consumer Protection, make available for examination all books and records relating to sports wagering operations necessary or appropriate to ensure compliance with this Chapter.

4-156-975 Location Restrictions.

(a) Each owners licensee that is a master sports wagering licensee shall limit in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) to locations inside its casino facility.

(b) Each organization licensee that is a master sports wagering licensee may have in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) inside one (1) inter-track wagering location located within the City only if: (i) the inter-track wagering location licensee from which it derives its license is an organization licensee that is issued a master sports wagering license; and (ii) the organization licensee that is a master sports wagering licensee does not have in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) inside its race track facility.

(c) Each sports facility or its designee that is a master sports wagering licensee shall limit in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) to a single location either (i) inside the sports facility, or (ii) in a permanent building or structure located within a 5-block radius of the sports facility.

4-156-980 Prohibited Acts.

- (a) It shall be unlawful for a licensee engaged in sports wagering to:

- (1) operate sports wagering in a temporary structure.
- (2) relocate its sports wagering operation without prior written approval from the Commissioner of Business Affairs and Consumer Protection.
- (3) install more than 15 kiosks or wagering windows, in the aggregate, within the location where in-person wagers may be placed if the facility does not offer food and drink for purchase.
- (4) permit sports wagering between 12:00 a.m. and 10:00 a.m. on Mondays through Thursdays, or between 12:00 a.m. and 9 a.m. on Fridays, or between 1:00 a.m. and 9:00 a.m. on Saturdays and Sundays.
- (5) permit any person under the age of 21 to place a sports wager.

4-156-985 Violation - Penalty.

Any person violating this Article shall be subject to a fine of not more than \$10,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply.

SECTION 5. Section 8-12-010 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows,

8-12-010 Gambling prohibited.

No person shall play or engage in faro, roulette, or gambling for money or other valuable thing, or in any other device or game of chance, hazard, or skill, either as bookmaker, dealer, keeper, player, or otherwise, for the purpose of gaming or gambling for money or other valuable thing. Nothing in this chapter shall be construed to ~~prevent eleemosynary, religious or charitable institutions from conducting raffles, the proceeds of which benefit persons by enhancing their opportunity for religious or educational advancement; by relieving or protecting them from disease, suffering or distress; by contributing to their physical well-being; by assisting them in establishing themselves in life as worthy and useful citizens; or by increasing their comprehension of and devotion to the principles upon which this nation was founded~~ prohibit any conduct authorized by the Illinois Lottery Law, the Illinois Horse Racing Act, the Raffles and Poker Runs Act, the Illinois Pull Tabs and Jar Games Act, the Bingo License and Tax Act, the Charitable Games Act, or the Illinois Sports Wagering Act.

SECTION 6. Section 17-3-0200 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-3-0200 Allowed Uses.

(Omitted text is unaffected by this ordinance)

17-3-0207 Use Table and Standards

USE GROUP		Zoning Districts					Use Standard	Parking Standard	
Use Category	Specific Use Type	B1	B2	B3	C1	C2			C3
P = permitted by right		S = special use approval req'd			PD = planned development approval req'd				
					- = not allowed				
COMMERCIAL									
(Omitted text is unaffected by this ordinance)									
BB. Entertainment and Spectator Sports									
(Omitted text is unaffected by this ordinance)									
2	Inter-Track-Wagering Facility	-	-	-	<u>P/S</u>	<u>P/S</u>	<u>P/S</u>	17-9-0110	17-10-0207-P
(Omitted text is unaffected by this ordinance)									

SECTION 7. Section 17-4-0200 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-4-0200 Allowed Uses.

(Omitted text is unaffected by this ordinance)

17-4-0207 Use Table and Standards

USE GROUP		Zoning Districts				Use Standard	Parking Standard
Use Category	Specific Use Type	DC	DX	DR	DS		
P = permitted by right		S = special use approval req'd			PD = planned development approval req'd		
					- = not allowed		
COMMERCIAL							
(Omitted text is unaffected by this ordinance)							
BB. Entertainment and Spectator Sports (except as more specifically regulated)							
1.	*						
2.	Indoor Special Event including incidental liquor sales	P	P	-	<u>P</u>		
3.	Inter-Track-Wagering Facility	<u>P/S</u>	<u>P/S</u>	-	<u>P/S</u>	17-9-0110	17-10-0208
(Omitted text is unaffected by this ordinance)							

SECTION 8. Section 17-5-0200 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-5-0200 Allowed Uses.

(Omitted text is unaffected by this ordinance)

17-5-0207 Use Table and Standards

USE GROUP		Zoning Districts			Use Standard	Parking Standard
Use Category		M1	M2	M3		
Specific Use Type						
P = permitted by right		S = special use approval req'd			PD = planned development approval req'd	
					- = not allowed	
COMMERCIAL						
<i>(Omitted text is unaffected by this ordinance)</i>						
R. Entertainment and Spectator Sports						
<i>(Omitted text is unaffected by this ordinance)</i>						
2.	Inter-Track-Wagering Facility	<u>P/S</u>	<u>P/S</u>	<u>P/S</u>	17-9-0110	17-10-0207-P
<i>(Omitted text is unaffected by this ordinance)</i>						

SECTION 9. Section 17-6-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscore language, as follows:

17-6-0200 POS, Parks and Open Space District.

(Omitted text is unaffected by this ordinance)

17-6-0203-E Use Table

USE GROUP	Park/Open Space Facility Type				Use Standard
Use Category	POS-1 Regional or Community Parks	POS-2 Neighborhood, Mini- and Playlot Parks	POS-3 Open Space/Natural Areas	POS-4 Cemeteries	
Specific Use Type					
P = permitted by right	S = special use approval req'd		PD = planned development approval req'd		
			- = not allowed		

OTHER					
(Omitted text is unaffected by this ordinance)					
T. Wagering Facility	P	-	-	-	17-9-0110
(Omitted text is unaffected by this ordinance)					

17-6-0400 PMD, Planned Manufacturing Districts.

(Omitted text is unaffected by this ordinance)

17-6-0403-F Use Table and Standards

USE GROUP															Use Standard					
Use Category	N o.	N o.	No. 4		N o.	N o.	No. 7		No. 8		N o.	N o.	No. 11	N o.		N o.	N o.	N o.		
Specific Use Type	2	3	A	B	5	6	A	B	A	B	9	10	A	B	12	13	14	15		
P = permitted by right S = special use approval req'd PD = planned development approval req'd - = not allowed																				
COMMERCIAL																				
(Omitted text is unaffected by this ordinance)																				
R. Entertainment and Spectator Sports																				
(Omitted text is unaffected by this ordinance)																				
3	Inter-Track Wagering Facility	-	-	P/S	P/S	P/S	-	P/S	P/S	P/S	-	P/S	-	P/S	P/S	-	-	-	-	17-9-0110
(Omitted text is unaffected by this ordinance)																				

SECTION 10. Section 17-9-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-9-0100 Use Standards.

(Omitted text is unaffected by this ordinance)

17-9-0110 Inter-Track Wagering Facilities.

17-9-0110-A Inter-Track. New inter-track wagering facilities must be established pursuant to Section 17-13-1405 and the applicable special use criteria of Section 17-13-0900 and are not allowed to be established within 500 feet of the property line of a lot containing a religious assembly, school or household living use. Notwithstanding the foregoing, an inter-track wagering facility existing in a Downtown District on May 11, 2005 may relocate as a special use within a DC, DX or DS District if the facility demonstrates compliance with paragraph (h)(8.2) of Section 26 of the Illinois Horse Racing Act of 1975 (230 ILCS 5/26(h)(8.2)), and obtains all applicable approvals necessary to the establishment of a special use.

17-9-0110-B Sports. Sports wagering facilities must be established pursuant to Section 17-13-1405 and shall be deemed permitted by-right, if established as a clearly incidental and accessory use to, and fully contained:

1. inside an *inter-track wagering facility*; or
2. inside a casino, as such term may be defined, or as a facility meeting such definition may be authorized to be established, pursuant to the Chicago Municipal Code;
or
3. at a single location either (i) inside of, or (ii) inside of a permanent structure located within a five-block radius of, any of the following *entertainment and spectator sport large venues* as named currently (or as may be re-named in the future) so long as each remains a "sports facility" as defined under the Sports Wagering Act:
 - a. Wrigley Field
 - b. Guaranteed Rate Field
 - c. Soldier Field
 - d. United Center
 - e. Wintrust Arena
 - f. all *entertainment and spectator sport large venues* identified in Section 17-9-0110-B.3 are allowed only one *primary sports license*.

(Omitted text is unaffected by this ordinance)

SECTION 11. Section 17-13-1405 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language, as follows:

17-13-1405 ~~Inter-Track Wagering Facility.~~

17-13-1405-A Upon receipt of an application for the establishment of an ~~*inter-track wagering facility*~~, the Zoning Administrator must:

1. make a determination of the capacity in persons of such a facility; said capacity may not exceed that established by the Fire Commissioner ~~fire commissioner~~;
2. require that the applicant provide documentation that parking facilities having the capacity to provide spaces equal to 20% of that capacity (or an appropriate number as adjusted by other provisions of this Zoning Ordinance) exist within 1,000 feet of the site and are accessible to patrons of the facility (not leased or committed to other specific uses);
3. require that the applicant provide written notice, return receipt requested, to all registered voters residing within 500 feet of the proposed use; and

4. upon determination that the use applied for is permitted only as a *special use* in the applicable district must provide findings regarding compliance with these provisions in writing to the applicant and directly to the Chairman of the Zoning Board of Appeals.

(Omitted text is unaffected by this ordinance)

SECTION 12. Section 17-17-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-17-0101 General.

(Omitted text is unaffected by this ordinance)

17-17-0104-L Entertainment and Spectator Sports. Provision of cultural, entertainment, athletic and other events to spectators. The following are spectator sports and entertainment use types:

1. Inter-Track or Sports Wagering Facility. A facility other than a race track at which ~~pari-mutuel~~ wagering is conducted: (i) with respect to the outcome of a simultaneously televised horse race taking place at an Illinois race track or horse races of national or international interest held at race tracks in other states or countries, or (ii) with respect to the outcome of a professional sport or athletic event, a collegiate sport or athletic event, a motor race event, or other event or competition of skill upon which wagering is permitted under the Sports Wagering Act.

(Omitted text is unaffected by this ordinance)

SECTION 13. This ordinance shall be in full force and effect ten days following due passage and publication.

WALTER BURNETT, JR.
Alderman, 27th Ward

patrons of the facility (not leased or committed to other specific uses);

3. require that the applicant provide written notice, return receipt requested, to all registered voters residing within 500 feet of the proposed use, and
4. upon determination that the use applied for is permitted only as a *special use* in the applicable district must provide findings regarding compliance with these provisions in writing to the applicant and directly to the Chairman of the Zoning Board of Appeals.

(Omitted text is unaffected by this ordinance)

SECTION 12. Section 17-17-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-17-0101 General.

(Omitted text is unaffected by this ordinance)

17-17-0104-L Entertainment and Spectator Sports. Provision of cultural, entertainment, athletic and other events to spectators. The following are spectator sports and entertainment use types:

1. Inter-Track or Sports Wagering Facility. A facility other than a race track at which pari-mutuel wagering is conducted: (i) with respect to the outcome of a simultaneously televised horse race taking place at an Illinois race track or horse races of national or international interest held at race tracks in other states or countries, or (ii) with respect to the outcome of a professional sport or athletic event, a collegiate sport or athletic event, a motor race event, or other event or competition of skill upon which wagering is permitted under the Sports Wagering Act.

(Omitted text is unaffected by this ordinance)

SECTION 13. This ordinance shall be in full force and effect ten days following due passage and publication.



WALTER BURNETT, JR.
Alderman, 27th Ward



CITY OF CHICAGO



OFFICE OF THE CITY CLERK
ANNA M. VALENCIA

Chicago City Council Co-Sponsor Form

Document No.:

Subject:

Adding Co-Sponsor(s)

Please **ADD** Co-Sponsor(s) Shown Below – (Principal Sponsor’s Consent Required)

Alderman Brian Hopkins Ward
(Signature)

Alderman _____ Ward
(Signature)

Date Filed: _____ Principal Sponsor: Alderman Burnett
(Signature)

Removing Co-Sponsor(s)

Please **REMOVE** Co-Sponsor(s) Below – (Principal Sponsor’s Consent NOT Required)

Alderman _____ Ward
(Signature)

Alderman _____ Ward
(Signature)

Date Filed: _____

- Final Copies To Be Filed With:
- Chairman of Committee to which legislation was referred
 - City Clerk